

\$1,016,217,000



FannieMae

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1997-63**

The Guaranteed REMIC Pass-Through Certificates offered hereby (the “Certificates”) will represent beneficial ownership interests in one of two trust funds. The Certificates, other than the RL Class, will represent beneficial ownership interests in Fannie Mae REMIC Trust 1997-63 (the “Trust”). The assets of the Trust will consist of the “regular interests” in a separate trust fund (the “Lower Tier REMIC”). The assets of the Lower Tier REMIC will consist of two groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS” and the “Group 2 MBS” and, together, the “MBS”) described herein. Each MBS represents a beneficial ownership interest in a pool of first lien, single-family, fixed-rate residential mortgage loans (the “Pools” and “Mortgage Loans,” respectively) 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.

(Cover continued on next page)

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

THE CERTIFICATES, TOGETHER WITH ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES. THE OBLIGATIONS OF FANNIE MAE UNDER ITS GUARANTY OF THE CERTIFICATES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND DO NOT CONSTITUTE AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF OTHER THAN FANNIE MAE.

THE CERTIFICATES ARE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933 AND ARE “EXEMPTED SECURITIES” WITHIN THE MEANING OF THE SECURITIES EXCHANGE ACT OF 1934.

Class	Group	Original Class Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date	Class	Group	Original Class Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date		
PA	1	\$ 45,386,000	PAC	6.5%	FIX	31359QKU7	November 2011	S	....	1	\$ 61,716,666(3)	NTL	(2)	INV/IO	31359QLG7	September 2027
PB	1	67,967,000	PAC	6.5	FIX	31359QKV5	December 2019	SA	....	1	61,716,666(3)	NTL	(2)	INV/IO	31359QLH5	September 2027
PC	1	83,470,400	PAC	6.5	FIX	31359QKW3	March 2026	C	....	1	17,633,334	SUP	(4)	PO	31359QLJ1	September 2027
PD	1	10,617,000	PAC	6.5	FIX	31359QKX1	August 2023	D	....	2	52,383,000	SEQ	7.0%	FIX	31359QLK8	January 2024
PJ	1	10,250,600	PAC	6.5	FIX	31359QKY9	March 2026	E	....	2	261,915,000	SEQ	6.4	FIX	31359QLL6	January 2024
PE	1	15,549,357(3)	NTL	7.0	FIX/IO	31359QKZ6	March 2026	G	....	2	38,383,000	SEQ	6.5	FIX	31359QLM4	March 2025
PG	1	386,000	PAC	7.0	FIX	31359QLA0	January 2024	H	....	2	29,835,000	SEQ/AD	6.5	FIX	31359QLN2	January 2006
PH	1	64,781,000	PAC	7.0	FIX	31359QLB8	July 2026	J	....	2	26,258,000	SEQ/AD	6.5	FIX	31359QLP7	November 2010
A	1	164,490,000	SCH/AD	7.0	FIX	31359QLC6	March 2026	ZA	....	2	41,226,000	SEQ	6.5	FIX/Z	31359QLQ5	September 2027
Z	1	4,101,000		SCH	7.0	FIX/Z	31359QLD4	December 2026	R		0	NPR	0	NPR	31359QLR3	September 2027
B	1	35,418,000	SCH	7.0	FIX	31359QLE2	September 2027	RL	....		0	NPR	0	NPR	31359QLS1	September 2027
F	1	61,716,666	SUP	(2)	FLT	31359QLF9	September 2027									

- (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) These Classes will be Notional Classes, will not have principal balances and will bear interest on their respective notional principal balances. The notional principal balances of the Notional Classes initially will be as set forth above and thereafter will be calculated as specified herein. See “Description of the Certificates—Distributions of Interest—Notional Classes” herein.
- (4) This Class will be a Principal Only Class and will bear no interest.

The Certificates will be offered by Greenwich Capital Markets, Inc. (the “Dealer”) from time to time in negotiated transactions, at varying prices to be determined at the time of sale.

The Certificates will be offered by the Dealer, subject to issuance by Fannie Mae, 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 and RL Classes, will be available through the book-entry system of the Federal Reserve Banks on or about August 29, 1997 (the “Settlement Date”). It is expected that the R and RL Classes in registered, certificated form will be available for delivery at the offices of the Dealer, Greenwich, Connecticut, on or about the Settlement Date.

GREENWICH CAPITAL MARKETS

A DIVISION OF NATWEST MARKETS



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The yields to investors in the Group 1 and Group 2 Classes will be sensitive in varying degrees to, among other things, the rates of principal distributions on the Group 1 MBS and the Group 2 MBS, respectively, which in turn will be determined by the rates of principal payments of the related Mortgage Loans and the characteristics of such Mortgage Loans. 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 (including the Principal Only Class), a slower than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Certificates purchased at a premium to their principal amounts, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Interest Only Class, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield and, in certain cases, an actual loss on the investment.
- The yield on any 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 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 or the MBS Prospectus (each as defined below). Any representation to the contrary is a criminal offense.

Elections will be made to treat the Lower Tier REMIC and the Trust as “real estate mortgage investment conduits” (“REMICs”) pursuant to the Internal Revenue Code of 1986, as amended (the “Code”). The R and RL Classes will be subject to transfer restrictions. See “Description of the Certificates—Characteristics of the R and RL Classes” 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”); and
- Fannie Mae’s Information Statement dated March 31, 1997 and any supplements thereto (collectively, the “Information Statement”).

The MBS Prospectus and the Information Statement are 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 documents may also be obtained from Greenwich Capital Markets, Inc., by writing or calling its Prospectus Department at 600 Steamboat Road, Greenwich, CT 06830 (telephone 203-622-5628).

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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 (as of August 1, 1997)

<u>Mortgage Loan Group</u>	<u>Approximate Principal Balance</u>	<u>Original Term to Maturity (in months)</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	\$108,997,000	360	321	32	7.69%
	87,830,000	360	310	43	7.48%
	28,250,000	360	297	53	7.57%
	28,640,000	360	282	76	7.61%
	312,500,000	360	332	23	7.74%
Group 2	\$200,000,000	360	308	44	7.06%
	250,000,000	360	334	24	7.15%

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.

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 the 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>
F	6.575%	9.00%	0.95%	LIBOR + 95 basis points
S	2.375%	8.00%	0.00%	8.0% – LIBOR
SA	0.050%	0.05%	0.00%	8.05% – LIBOR

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

Notional Classes

The notional principal balances of the Notional Classes will be equal to the indicated percentages of the outstanding balances specified below immediately prior to the related Distribution Date:

Classes

S	100% of F Class
SA	100% of F Class
PE	7.1428571429% of PA Class
	7.1428571429% of PB Class
	7.1428571429% of PC Class
	7.1428571429% of PD Class
	7.1428571429% of PJ Class

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

Distributions of Principal

The portion of the Principal Distribution Amount allocated to each Class of Certificates will be determined 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 A Class, to zero, and then to the Z Class.

Group 1 Cash Flow Distribution Amount

1. To the Aggregate Group, in the order and proportions described herein under “Description of the Certificates—Distributions of Principal,” to its Aggregate Group Scheduled Balance.
2. To the C and F Classes, in proportion to their original principal balances, to zero.
3. To the Aggregate Group, in the order and proportions described herein under “Description of the Certificates—Distributions of Principal,” to zero.

Group 2 Principal Distribution Amount

Group 2 Accrual Amount

To the H and J Classes, in that order, to zero, and then to the ZA Class.

Group 2 Cash Flow Distribution Amount

1. To the D and E Classes, in proportion to their original principal balances, to zero.
2. To the G, H, J and ZA Classes, in that order, to zero.

Weighted Average Lives (years) *

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>50%</u>	<u>160%</u>	<u>350%</u>	<u>500%</u>
PA	5.0	1.0	1.0	1.0	1.0
PB	12.3	3.5	3.5	3.5	3.1
PC	18.3	7.6	7.6	7.6	5.3
PD	16.9	6.2	6.2	6.2	4.4
PJ	19.7	9.0	9.0	9.0	6.1
PE	13.7	4.9	4.9	4.9	3.7

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>50%</u>	<u>160%</u>	<u>240%</u>	<u>500%</u>
PG	20.9	8.0	8.0	8.0	2.1
PH	22.1	12.1	12.1	12.1	2.5

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>160%</u>	<u>240%</u>	<u>500%</u>
A	24.3	7.9	2.9	2.9	1.1
Z	27.5	16.9	8.0	8.0	2.0
B	28.1	19.7	19.1	19.1	10.1

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>160%</u>	<u>350%</u>	<u>500%</u>
F, S, SA and C	29.3	22.7	16.8	0.6	0.3

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>145%</u>	<u>350%</u>	<u>500%</u>
D and E	17.9	6.0	4.5	2.0	1.3
G	26.9	15.2	12.0	5.4	3.7
H	4.6	4.6	4.6	4.3	3.4
J	11.0	11.0	11.0	7.0	5.0
ZA	28.8	21.3	18.6	11.2	8.1

* 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 the 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 such Mortgage Loans 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 related Mortgage Loans, 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 rates of principal distributions on such Classes are likely to differ from the rate anticipated by investors, even if the related Mortgage Loans prepay at the indicated constant percentages of PSA.

It is highly unlikely that the Mortgage Loans underlying the Group 1 MBS or Group 2 MBS will prepay at any of the rates assumed herein, will prepay at a *constant* PSA rate until maturity or 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 on or about 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 and the Lower Tier REMIC will be created pursuant to a trust agreement dated as of August 1, 1997 (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 and RL Classes) 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 interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”) will be designated as the “regular interests,” and the RL Class will be designated as the “residual interest,” in the Lower Tier REMIC. The assets of the Lower Tier REMIC will consist of the MBS.

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. 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 and “Description of Certificates—The Corporation’s Guaranty” in the MBS Prospectus.

Characteristics of Certificates. The Certificates (other than the R and RL Classes) will be issued and maintained and may be transferred by Holders only on the book-entry system of the Federal Reserve Banks. Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts such Certificates have been deposited are herein referred to as “Holders” or “Certificateholders.”

A Holder is not necessarily the beneficial owner of a book-entry Certificate. Beneficial owners will ordinarily hold book-entry Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of the Certificates—Denominations, Certificate Form” in the REMIC Prospectus and “Description of the Certificates—Book-Entry Procedures”.

The R and RL Certificates will not be issued in book-entry form but will be issued in fully registered, certificated form. As to the R or RL Certificate, “Holder” or “Certificateholder” refers to the registered owner thereof. The R or RL Certificates 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 or RL 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 and RL Classes” herein.

The distribution to the Holder of the R and RL Classes of the proceeds of any remaining assets of the Trust and the Lower Tier REMIC, as applicable, will be made only upon presentation and surrender of the related Certificate at the office of the Paying Agent. The Paying Agent initially will be State Street.

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

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), commencing in the month following the Settlement Date, and each such date is referred to herein as a “Distribution Date” when used with respect to such Classes.

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 Lower Tier REMIC or 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.

The MBS

The MBS underlying the Group 1 and Group 2 Classes 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 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 MBS and the related Mortgage Loans as of the Issue Date are expected to be as follows:

Group 1 MBS

Aggregate Unpaid Principal Balance	\$566,217,000
MBS Pass-Through Rate	7.00%

Related Mortgage Loans

Range of WACs (per annum percentages)	7.25% to 9.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	322 months
Approximate Weighted Average CAGE	32 months

Group 2 MBS

Aggregate Unpaid Principal Balance	\$450,000,000
MBS Pass-Through Rate	6.50%

Related 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	322 months
Approximate Weighted Average CAGE	33 months

Final Data Statement

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth with respect to the Group 1 MBS and Group 2 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 related Mortgage Loans, 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 Group 1 MBS and Group 2 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>
Group 1 Classes	
Fixed Rate	PA, PB, PC, PD, PJ, PE, PG, PH, A, Z and B
Accrual	Z
Floating Rate	F
Inverse Floating Rate	S and SA
Principal Only	C
Interest Only	PE, S and SA
Group 2 Classes	
Fixed Rate	D, E, G, H, J and ZA
Accrual	ZA
No Payment Residual	R and RL

* 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 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 “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 until: (i) with respect to the Z Class, the Distribution Date following the Distribution Date on which the principal balance of the A Class is reduced to zero; and (ii) with respect to the ZA Class, the Distribution Date following the Distribution Date on which the principal balance of the J Class is reduced to zero. Interest so accrued and unpaid on the Accrual Classes will be added as principal to the respective principal balances thereof on each Distribution Date. Distributions of principal of the Accrual Classes will be made as described herein.

Notional Classes. The PE, S and SA Classes will be Notional Classes. The Notional Classes will have no principal balance and will bear interest at the per annum interest rates set forth on the cover or described herein during each Interest Accrual Period on their respective notional principal balances. The notional principal balances of the Notional Classes will be calculated as specified above under “Reference Sheet—Notional Classes.”

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

MBS or the underlying Mortgage Loans. Although a Notional Class will not have a principal balance, a REMIC Trust Factor (as described herein) will be published with respect to such Class that will be applicable to the notional principal balance thereof, and references herein to the principal balances of the Certificates generally shall be deemed to refer also to the notional principal balances of the Notional Classes.

Floating Rate and Inverse Floating Rate Classes. The Floating Rate and Inverse Floating Rate Classes will bear interest during each Interest Accrual Period, subject to the applicable maximum and minimum interest rates, at the rates determined as described herein under “Reference Sheet—Interest Rates.”

The yields with respect to such Classes will be affected by changes in the index specified (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 the 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 balances of the F, S and SA 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 5.625%.

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	
PAC**	PA, PB, PC, PD, PJ, PG and PH
Scheduled**	A, Z and B
Support	F and C
Notional	PE, S and SA
Accretion Directed	A
Group 2 Classes	
Sequential Pay	D, E, G, H, J and ZA
Accretion Directed	H and J
No Payment Residual	R and RL

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

** The Principal Balance Schedules are set forth herein beginning on page A-1.

Principal Distribution Amount

On each Distribution Date, principal will be distributed 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 in the month of such Distribution Date (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”) and (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”).

Group 1 Principal Distribution Amount

Group 1 Accrual Amount

On each Distribution Date, the Group 1 Accrual Amount, if any, will be distributed as principal of the A Class until the principal balance thereof is reduced to zero, and thereafter to the Z Class. } Accretion
Directed
Class and
Accrual
Class

Group 1 Cash Flow Distribution Amount

On each Distribution Date, the Group 1 Cash Flow Distribution Amount will be distributed as principal of the Group 1 Classes in the following order of priority:

- (a) to the Aggregate Group (as described below), until the Aggregate Balance (as described below) is reduced to its Aggregate Group Scheduled Balance for such Distribution Date; } Aggregate
Group
- (b) concurrently, to the C and F Classes, in proportion to their original principal balances (or 22.2222230624% and 77.777769376%, respectively), until the principal balances thereof are reduced to zero; and } Support
Classes
- (c) to the Aggregate Group, without regard to its Aggregate Group Scheduled Balance and until the Aggregate Balance is reduced to zero. } Aggregate
Group

The “Aggregate Group” will consist of the PA, PB, PC, PD, PJ, PG, PH, A, Z and B Classes, and any distribution of principal of the Aggregate Group will be made in the following order of priority:

- (i) to the PA, PB, PC, PD and PJ Classes, until the aggregate principal balance thereof is reduced to the Subset I Planned Balance for such Distribution Date, as follows: }
 - first*, to the PA Class, until the principal balance thereof is reduced to zero;
 - second*, to the PB Class, until the principal balance thereof is reduced to zero;
 - third*, concurrently, to the PC and PD Classes, in the proportions of 80% and 20%, respectively, until the principal balance of the PD Class is reduced to zero; and
 - fourth*, concurrently, to the PC and PJ Classes, in the proportions of 80% and 20%, respectively, until the principal balances thereof are reduced to zero;} PAC
Classes
- (ii) to the PG and PH Classes, until the aggregate principal balance thereof is reduced to the Subset II Planned Balance for such Distribution Date, as follows: }
 - first*, to the PG Class, until the principal balance thereof is reduced to zero; and
 - second*, to the PH Class, until the principal balance thereof is reduced to zero;

- | | |
|---|---------------------|
| (iii) sequentially, to the A and Z Classes, in that order, until the respective principal balances thereof are reduced to zero; | } Scheduled Classes |
| | |
| (iv) sequentially, to the PG and PH Classes, in that order, without regard to the Subset II Planned Balance and until the respective principal balances thereof are reduced to zero; | } PAC Classes |
| | |
| (v) to the PA, PB, PC, PD and PJ Classes, in the order and proportions set forth in clause (i) above, without regard to the Subset I Planned Balance and until the respective principal balances thereof are reduced to zero; and | } Scheduled Class |
| | |
| (vi) to the B Class, until the principal balance thereof is reduced to zero. | |

The “Aggregate Balance” for any Distribution Date is equal to \$486,867,000 minus the sum of all amounts previously applied pursuant to clauses (a) and (c) under “*The Group 1 Cash Flow Distribution Amount*” in respect of the Aggregate Balance.

Group 2 Principal Distribution Amount

Group 2 Accrual Amount

On each Distribution Date, the Group 2 Accrual Amount, if any, will be distributed, sequentially, as principal of the H and J Classes, in that order, until the respective principal balances thereof are reduced to zero, and thereafter 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) concurrently, to the D and E Classes, in proportion to their original balances (or 16.6666666667% and 83.3333333333%, respectively), until the principal balances thereof are reduced to zero; and | } Sequential Pay Classes |
| | |
| (ii) sequentially, to the G, H, J and ZA Classes, in that order, until the respective principal balances thereof are reduced to zero. | |

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 (collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Group 1 MBS and Group 2 MBS have the original terms to maturity, the remaining terms to maturity, CAGEs, and interest rates as specified herein under “Reference Sheet—Assumed Characteristics of the Mortgage Loans”;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related table; and
- the closing date for the sale of the Certificates is August 29, 1997.

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—Prepay-

ment Models” in the REMIC Prospectus. It is highly unlikely that prepayments will occur at any *constant* PSA rate or at any other *constant* rate.

Structuring Ranges. The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the related Mortgage Loans underlying the Group 1 MBS prepay at a constant PSA rate within the applicable Structuring Ranges specified below. The Principal Balance Schedules are set forth herein beginning on page A-1.

Principal Balance Schedule References	Related Classes	Structuring Ranges
Aggregate Group Scheduled Balance	PA, PB, PC, PD, PJ, PG, PH, A, Z and B	Between 160% and 240%
Subset I Planned Balance	PA, PB, PC, PD and PJ	Between 50% and 350%
Subset II Planned Balance	PG and PH	Between 50% and 240%

There is no assurance that the aggregate principal balance of any group of Classes listed above will conform on any Distribution Date to the applicable balance specified for such Distribution Date in the Principal Balance Schedules herein, or that distributions of principal of such group of 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 any such group of Classes to its scheduled balance will be distributed, the ability to reduce such group of Classes will not be enhanced by the averaging of high and low principal payments from month to month. In addition, even if prepayments on the related Mortgage Loans occur at rates falling within the applicable Structuring Range specified above, principal distributions may be insufficient to reduce the applicable group of Classes 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 Mortgage Loans underlying the Group 1 MBS (which may include recently originated Mortgage Loans), the group of Classes specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the applicable Structuring Ranges specified above.

Initial Effective Ranges. The Effective Range for a group of Classes is the range of prepayment rates (measured by *constant* PSA rates) that would reduce such group of Classes 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 underlying the Group 1 MBS specified in the Pricing Assumptions.

Principal Balance Schedule References	Related Classes	Initial Effective Ranges
Aggregate Group Scheduled Balance	PA, PB, PC, PD, PJ, PG, PH, A, Z and B	Between 160% and 240%
Subset I Planned Balance	PA, PB, PC, PD and PJ	Between 50% and 350%
Subset II Planned Balance	PG and PH	Between 50% and 240%

The actual Effective Ranges at any time will be based upon the actual characteristics of the Mortgage Loans underlying the Group 1 MBS at such time, which are likely to vary (and may vary considerably) from the Pricing Assumptions. The actual Effective Ranges calculated on the basis of the actual characteristics likely will differ from the Initial Effective Ranges. As a result, the applicable group of Classes might not be reduced to their scheduled balances even if prepayments on the related Mortgage Loans 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 group of 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. When the Support Classes are retired, any outstanding PAC and Scheduled Classes, if still outstanding, may no longer have Effective Ranges and will be more sensitive to prepayments.

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 Interest Only Classes. The yields to investors in the Interest Only Classes will be sensitive in varying degrees to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Inverse Floating Rate Classes will also be sensitive 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 prepayment and, if applicable, Index scenarios, investors in the Interest Only Classes would not fully recoup their initial investments. On the basis of the assumptions described below, the yield to maturity on the PE Class would be 0% if prepayments of the related Mortgage Loans were to occur at a constant rate of approximately 482% PSA. If the actual prepayment rates of the related Mortgage Loans were to exceed the applicable level for as little as one month while equaling such level for the remaining months, the investors in the PE 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 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 Interest Only Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
S	7.625%
SA	0.250%
PE	26.500%

* 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 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>160%</u>	<u>350%</u>	<u>500%</u>
3.625%	62.7%	62.7%	62.6%	*	*
5.625%	32.7%	32.7%	32.1%	*	*
7.625%	1.7%	1.0%	(2.0)%	*	*
8.000% and above	*	*	*	*	*

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

**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>160%</u>	<u>350%</u>	<u>500%</u>
8.00% and below	20.5%	20.4%	19.2%	*	*
8.03%	6.4%	5.9%	3.5%	*	*
8.05%	*	*	*	*	*

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

Sensitivity of the PE Class to Prepayments

	<u>PSA Prepayment Assumption</u>			
	<u>50%</u>	<u>160%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	8.1%	8.1%	8.1%	(1.5)%

The Principal Only Class. The Principal Only Class will not bear interest. As indicated in the table below, a low rate of principal payments (including prepayments) on the related Mortgage Loans will have a negative effect on the yield to investors in the Principal Only Class.

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

<u>Class</u>	<u>Price</u>
C	60.0%

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

	PSA Prepayment Assumption				
	50%	100%	160%	350%	500%
C	2.1%	2.3%	3.1%	109.7%	253.0%

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 and the priority sequences of distributions of principal of the Classes. The weighted average lives of the Group 1 Classes will also depend on the distribution of principal of certain Classes in accordance with the Principal Balance Schedules. See “Distributions of Principal” herein.

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 MBS specified below</u>	<u>Original and Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1	360 months	9.5%
Group 2	360 months	9.0%

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

Percent of Original Principal Balances Outstanding

Date	PA Class					PB Class					PC Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	50%	160%	350%	500%	0%	50%	160%	350%	500%	0%	50%	160%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 1998	92	50	50	50	50	100	100	100	100	100	100	100	100	100	100
August 1999	84	0	0	0	0	100	99	99	99	99	100	100	100	100	100
August 2000	75	0	0	0	0	100	66	66	66	66	100	100	100	100	100
August 2001	64	0	0	0	0	100	33	33	33	0	100	100	100	100	91
August 2002	53	0	0	0	0	100	*	*	*	0	100	100	100	100	52
August 2003	41	0	0	0	0	100	0	0	0	0	100	79	79	79	25
August 2004	27	0	0	0	0	100	0	0	0	0	100	59	59	59	7
August 2005	12	0	0	0	0	100	0	0	0	0	100	39	39	39	0
August 2006	0	0	0	0	0	97	0	0	0	0	100	22	22	22	0
August 2007	0	0	0	0	0	85	0	0	0	0	100	9	9	9	0
August 2008	0	0	0	0	0	72	0	0	0	0	100	0	0	0	0
August 2009	0	0	0	0	0	57	0	0	0	0	100	0	0	0	0
August 2010	0	0	0	0	0	41	0	0	0	0	100	0	0	0	0
August 2011	0	0	0	0	0	24	0	0	0	0	100	0	0	0	0
August 2012	0	0	0	0	0	5	0	0	0	0	100	0	0	0	0
August 2013	0	0	0	0	0	0	0	0	0	0	89	0	0	0	0
August 2014	0	0	0	0	0	0	0	0	0	0	74	0	0	0	0
August 2015	0	0	0	0	0	0	0	0	0	0	57	0	0	0	0
August 2016	0	0	0	0	0	0	0	0	0	0	39	0	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	0	19	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	5.0	1.0	1.0	1.0	1.0	12.3	3.5	3.5	3.5	3.1	18.3	7.6	7.6	7.6	5.3

Date	PD Class					PJ Class					PE† Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	50%	160%	350%	500%	0%	50%	160%	350%	500%	0%	50%	160%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 1998	100	100	100	100	100	100	100	100	100	100	98	89	89	89	89
August 1999	100	100	100	100	100	100	100	100	100	100	97	79	79	79	79
August 2000	100	100	100	100	100	100	100	100	100	100	95	68	68	68	68
August 2001	100	100	100	100	83	100	100	100	100	100	93	58	58	58	44
August 2002	100	100	100	100	6	100	100	100	100	100	90	48	48	48	25
August 2003	100	60	60	60	0	100	100	100	100	51	88	38	38	38	12
August 2004	100	19	19	19	0	100	100	100	100	13	85	28	28	28	3
August 2005	100	0	0	0	0	100	79	79	79	0	82	19	19	19	0
August 2006	100	0	0	0	0	100	45	45	45	0	78	11	11	11	0
August 2007	100	0	0	0	0	100	18	18	18	0	75	4	4	4	0
August 2008	100	0	0	0	0	100	0	0	0	0	70	0	0	0	0
August 2009	100	0	0	0	0	100	0	0	0	0	66	0	0	0	0
August 2010	100	0	0	0	0	100	0	0	0	0	61	0	0	0	0
August 2011	100	0	0	0	0	100	0	0	0	0	55	0	0	0	0
August 2012	100	0	0	0	0	100	0	0	0	0	49	0	0	0	0
August 2013	79	0	0	0	0	100	0	0	0	0	43	0	0	0	0
August 2014	49	0	0	0	0	100	0	0	0	0	35	0	0	0	0
August 2015	16	0	0	0	0	100	0	0	0	0	27	0	0	0	0
August 2016	0	0	0	0	0	79	0	0	0	0	19	0	0	0	0
August 2017	0	0	0	0	0	38	0	0	0	0	9	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	16.9	6.2	6.2	6.2	4.4	19.7	9.0	9.0	9.0	6.1	13.7	4.9	4.9	4.9	3.7

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

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

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

Date	PG Class					PH Class					A Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	50%	160%	240%	500%	0%	50%	160%	240%	500%	0%	100%	160%	240%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 1998	100	100	100	100	100	100	100	100	100	100	100	90	78	78	59
August 1999	100	100	100	100	100	100	100	100	100	100	100	81	59	59	0
August 2000	100	100	100	100	0	100	100	100	100	8	99	73	42	42	0
August 2001	100	100	100	100	0	100	100	100	100	0	99	65	29	29	0
August 2002	100	100	100	100	0	100	100	100	100	0	99	59	18	18	0
August 2003	100	100	100	100	0	100	100	100	100	0	99	54	9	9	0
August 2004	100	100	100	100	0	100	100	100	100	0	98	49	2	2	0
August 2005	100	46	46	46	0	100	100	100	100	0	98	46	0	0	0
August 2006	100	0	0	0	0	100	95	95	95	0	98	43	0	0	0
August 2007	100	0	0	0	0	100	85	85	85	0	97	40	0	0	0
August 2008	100	0	0	0	0	100	73	73	73	0	97	37	0	0	0
August 2009	100	0	0	0	0	100	51	51	51	0	97	32	0	0	0
August 2010	100	0	0	0	0	100	32	32	32	0	96	27	0	0	0
August 2011	100	0	0	0	0	100	17	17	17	0	96	21	0	0	0
August 2012	100	0	0	0	0	100	3	3	3	0	95	15	0	0	0
August 2013	100	0	0	0	0	100	0	0	0	0	95	5	0	0	0
August 2014	100	0	0	0	0	100	0	0	0	0	94	0	0	0	0
August 2015	100	0	0	0	0	100	0	0	0	0	94	0	0	0	0
August 2016	100	0	0	0	0	100	0	0	0	0	93	0	0	0	0
August 2017	100	0	0	0	0	100	0	0	0	0	92	0	0	0	0
August 2018	0	0	0	0	0	95	0	0	0	0	92	0	0	0	0
August 2019	0	0	0	0	0	55	0	0	0	0	91	0	0	0	0
August 2020	0	0	0	0	0	12	0	0	0	0	90	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	75	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	54	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	30	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	4	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.9	8.0	8.0	8.0	2.1	22.1	12.1	12.1	12.1	2.5	24.3	7.9	2.9	2.9	1.1

Date	Z Class					B Class					F, S†, SA† and C Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	160%	240%	500%	0%	100%	160%	240%	500%	0%	100%	160%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 1998	107	107	107	107	107	100	100	100	100	100	100	100	100	22	0
August 1999	115	115	115	115	50	100	100	100	100	100	100	100	100	0	0
August 2000	123	123	123	123	0	100	100	100	100	100	100	100	100	0	0
August 2001	132	132	132	132	0	100	100	100	100	100	100	100	100	0	0
August 2002	142	142	142	142	0	100	100	100	100	100	100	100	100	0	0
August 2003	152	152	152	152	0	100	100	100	100	100	100	100	100	0	0
August 2004	163	163	163	163	0	100	100	100	100	100	100	100	100	0	0
August 2005	175	175	69	69	0	100	100	100	100	82	100	100	98	0	0
August 2006	187	187	3	3	0	100	100	100	100	56	100	100	95	0	0
August 2007	201	201	0	0	0	100	100	100	100	38	100	100	91	0	0
August 2008	215	215	0	0	0	100	100	100	100	26	100	100	85	0	0
August 2009	231	231	0	0	0	100	100	100	100	17	100	100	79	0	0
August 2010	248	248	0	0	0	100	100	100	100	12	100	100	73	0	0
August 2011	266	266	0	0	0	100	100	100	100	8	100	100	67	0	0
August 2012	285	285	0	0	0	100	100	100	100	5	100	100	60	0	0
August 2013	305	305	0	0	0	100	100	86	86	3	100	100	53	0	0
August 2014	328	124	0	0	0	100	100	69	69	2	100	100	47	0	0
August 2015	351	0	0	0	0	100	71	55	55	1	100	100	41	0	0
August 2016	377	0	0	0	0	100	43	43	43	1	100	94	35	0	0
August 2017	404	0	0	0	0	100	33	33	33	1	100	82	29	0	0
August 2018	433	0	0	0	0	100	25	25	25	*	100	69	24	0	0
August 2019	464	0	0	0	0	100	19	19	19	*	100	56	19	0	0
August 2020	498	0	0	0	0	100	13	13	13	*	100	44	14	0	0
August 2021	534	0	0	0	0	100	9	9	9	*	100	32	10	0	0
August 2022	573	0	0	0	0	100	5	5	5	*	100	21	7	0	0
August 2023	614	0	0	0	0	100	2	2	2	*	100	11	3	0	0
August 2024	658	0	0	0	0	100	1	1	1	*	100	4	1	0	0
August 2025	0	0	0	0	0	69	0	0	0	0	100	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	68	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	27.5	16.9	8.0	8.0	2.0	28.1	19.7	19.1	19.1	10.1	29.3	22.7	16.8	0.6	0.3

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

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

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

Date	D and E Classes					G Class					H Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	145%	350%	500%	0%	100%	145%	350%	500%	0%	100%	145%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 1998	99	90	86	69	57	100	100	100	100	100	91	91	91	91	91
August 1999	98	80	73	44	26	100	100	100	100	100	81	81	81	81	81
August 2000	97	71	61	25	4	100	100	100	100	100	70	70	70	70	70
August 2001	96	62	51	10	0	100	100	100	100	14	59	59	59	59	59
August 2002	94	54	41	0	0	100	100	100	82	0	47	47	47	47	0
August 2003	93	47	32	0	0	100	100	100	6	0	34	34	34	34	0
August 2004	91	39	24	0	0	100	100	100	0	0	21	21	21	0	0
August 2005	89	33	17	0	0	100	100	100	0	0	6	6	6	0	0
August 2006	87	26	10	0	0	100	100	100	0	0	0	0	0	0	0
August 2007	85	20	4	0	0	100	100	100	0	0	0	0	0	0	0
August 2008	82	14	0	0	0	100	100	89	0	0	0	0	0	0	0
August 2009	80	9	0	0	0	100	100	48	0	0	0	0	0	0	0
August 2010	77	4	0	0	0	100	100	11	0	0	0	0	0	0	0
August 2011	74	0	0	0	0	100	93	0	0	0	0	0	0	0	0
August 2012	70	0	0	0	0	100	56	0	0	0	0	0	0	0	0
August 2013	67	0	0	0	0	100	21	0	0	0	0	0	0	0	0
August 2014	63	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2015	58	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2016	53	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2017	48	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2018	42	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2019	35	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2020	28	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2021	21	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2022	12	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2023	3	0	0	0	0	100	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	43	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	17.9	6.0	4.5	2.0	1.3	26.9	15.2	12.0	5.4	3.7	4.6	4.6	4.6	4.3	3.4

Date	J Class					ZA Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	145%	350%	500%	0%	100%	145%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100
August 1998	100	100	100	100	100	107	107	107	107	107
August 1999	100	100	100	100	100	114	114	114	114	114
August 2000	100	100	100	100	100	121	121	121	121	121
August 2001	100	100	100	100	100	130	130	130	130	130
August 2002	100	100	100	100	52	138	138	138	138	138
August 2003	100	100	100	100	0	148	148	148	148	118
August 2004	100	100	100	47	0	157	157	157	157	81
August 2005	100	100	100	0	0	168	168	168	144	55
August 2006	89	89	89	0	0	179	179	179	111	38
August 2007	70	70	70	0	0	191	191	191	85	25
August 2008	50	50	50	0	0	204	204	204	65	17
August 2009	29	29	29	0	0	218	218	218	50	12
August 2010	6	6	6	0	0	232	232	232	38	8
August 2011	0	0	0	0	0	236	236	215	28	5
August 2012	0	0	0	0	0	236	236	186	21	3
August 2013	0	0	0	0	0	236	236	161	16	2
August 2014	0	0	0	0	0	236	225	137	12	2
August 2015	0	0	0	0	0	236	196	116	9	1
August 2016	0	0	0	0	0	236	169	97	6	1
August 2017	0	0	0	0	0	236	143	80	4	*
August 2018	0	0	0	0	0	236	118	64	3	*
August 2019	0	0	0	0	0	236	95	50	2	*
August 2020	0	0	0	0	0	236	73	38	1	*
August 2021	0	0	0	0	0	236	53	26	1	*
August 2022	0	0	0	0	0	236	33	16	*	*
August 2023	0	0	0	0	0	236	17	8	*	*
August 2024	0	0	0	0	0	236	8	3	*	*
August 2025	0	0	0	0	0	192	0	0	0	0
August 2026	0	0	0	0	0	100	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	11.0	11.0	11.0	7.0	5.0	28.8	21.3	18.6	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.

Characteristics of the R and RL Classes

The R and RL Classes will have no principal balances 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, and the Holder of the RL Class will be entitled to receive the proceeds of the remaining assets of the Lower Tier REMIC, if any, after the principal balances of the Lower Tier Regular Interests have been reduced to zero. It is not anticipated that there will be any material assets remaining in either such circumstance.

The R and RL Classes will be subject to certain transfer restrictions. No transfer of record or beneficial ownership of an R or RL Certificate will be allowed to a “disqualified organization.” In addition, no transfer of record or beneficial ownership of an R or RL 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 and RL Classes will constitute noneconomic residual interests under the Regulations. Any transferee of an R or RL 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 or RL 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, and the Holder of the RL Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Lower Tier REMIC. See “Certain Federal Income Tax Consequences” in the REMIC Prospectus. Pursuant to the Trust Agreement, Fannie Mae will be obligated to provide to such Holders (i) such information as is necessary to enable them to prepare their federal income tax returns and (ii) any reports regarding the R Class or RL 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 Elections and Special Tax Attributes

Elections will be made to treat the Lower Tier REMIC and the Trust as REMICs 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 Lower Tier REMIC and the Trust will qualify as REMICs for federal income tax purposes. The REMIC Certificates, other than the R and RL Classes, 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 Lower Tier Regular Interests will be designated as the “regular interests” and the RL Class will be designated as the “residual interest” in the Lower Tier REMIC.

As a consequence of the qualification of the Lower Tier REMIC and the Trust as REMICs, 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 and RL Classes, 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 Classes, the Accrual Classes and the Principal Only Class 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 160% PSA in the case of the Group 1 Classes and 145% PSA in the case of the Group 2 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, neither the R Class nor the RL Class will have significant value. Special rules regarding the treatment of “excess inclusions” by certain thrift institutions no longer apply because of the amendments of section 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 (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 7.86% (which is 120% of the “federal long-term rate”). See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” and “—Foreign Investors—*Residual Certificates*” in the REMIC Prospectus. The federal income tax consequences of any consideration paid to a transferee on the transfer of an R or RL 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 MBS 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 Certificates in addition to those contemplated as of the date hereof. In such event, the Group 1 MBS and Group 2 MBS, as applicable, will be increased in principal balance, but it is expected that all such additional Group 1 MBS and Group 2 MBS, as applicable, will have the same characteristics as described herein under “Description of the Certificates—The 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 Schedules will be increased in

a pro rata amount that corresponds to the increase of the principal balances of the PAC and Scheduled Classes.

LEGAL MATTERS

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

Principal Balance Schedules

<u>Distribution Date</u>	<u>Aggregate Group Scheduled Balance</u>	<u>Subset I Planned Balance</u>	<u>Subset II Planned Balance</u>
Initial Balance	\$486,867,000.00	\$217,691,000.00	\$65,167,000.00
September 1997.....	482,136,464.25	215,881,700.97	65,166,864.78
October 1997	477,352,369.90	214,046,919.61	65,166,864.78
November 1997.....	472,516,884.06	212,187,728.90	65,166,864.78
December 1997	467,631,562.33	210,304,332.29	65,166,864.78
January 1998	462,698,015.59	208,396,939.81	65,166,864.78
February 1998	457,717,907.93	206,465,767.98	65,166,864.78
March 1998	452,692,954.50	204,511,039.73	65,166,864.78
April 1998.....	447,711,161.17	202,559,164.85	65,166,864.78
May 1998	442,772,164.29	200,610,128.04	65,166,864.78
June 1998	437,875,603.22	198,663,914.00	65,166,864.78
July 1998	433,021,120.37	196,720,507.45	65,166,864.78
August 1998	428,208,361.13	194,779,893.11	65,166,864.78
September 1998.....	423,436,973.90	192,842,055.71	65,166,864.78
October 1998	418,706,609.99	190,906,979.98	65,166,864.78
November 1998	414,016,923.66	188,974,650.66	65,166,864.78
December 1998	409,367,572.04	187,045,052.51	65,166,864.78
January 1999	404,758,215.19	185,118,170.28	65,166,864.78
February 1999	400,188,515.96	183,193,988.72	65,166,864.78
March 1999	395,658,140.06	181,272,492.62	65,166,864.78
April 1999.....	391,166,756.01	179,353,666.75	65,166,864.78
May 1999	386,714,035.10	177,437,495.88	65,166,864.78
June 1999	382,299,651.38	175,523,964.82	65,166,864.78
July 1999	377,923,281.63	173,613,058.34	65,166,864.78
August 1999	373,584,605.34	171,704,761.25	65,166,864.78
September 1999.....	369,283,304.69	169,799,058.36	65,166,864.78
October 1999	365,019,064.54	167,895,934.48	65,166,864.78
November 1999	360,791,572.38	165,995,374.42	65,166,864.78
December 1999	356,600,518.32	164,097,363.01	65,166,864.78
January 2000	352,445,595.08	162,201,885.07	65,166,864.78
February 2000	348,326,497.95	160,308,925.44	65,166,864.78
March 2000	344,242,924.77	158,418,468.95	65,166,864.78
April 2000.....	340,194,575.93	156,530,500.44	65,166,864.78
May 2000	336,181,154.34	154,645,004.76	65,166,864.78
June 2000	332,202,365.37	152,761,966.77	65,166,864.78
July 2000	328,257,916.88	150,881,371.31	65,166,864.78
August 2000	324,347,519.20	149,003,203.24	65,166,864.78
September 2000.....	320,470,885.06	147,127,447.43	65,166,864.78
October 2000	316,627,729.62	145,254,088.75	65,166,864.78
November 2000	312,817,770.41	143,383,112.06	65,166,864.78
December 2000	309,040,727.36	141,514,502.24	65,166,864.78
January 2001	305,296,322.71	139,648,244.17	65,166,864.78
February 2001	301,584,281.08	137,784,322.73	65,166,864.78
March 2001	297,904,329.35	135,922,722.80	65,166,864.78
April 2001.....	294,256,196.73	134,063,429.27	65,166,864.78
May 2001	290,639,614.69	132,206,427.03	65,166,864.78
June 2001	287,054,316.93	130,351,700.97	65,166,864.78
July 2001	283,500,039.42	128,499,235.99	65,166,864.78
August 2001	279,976,520.33	126,649,016.99	65,166,864.78
September 2001.....	276,483,500.03	124,801,028.86	65,166,864.78
October 2001	273,020,721.06	122,955,256.52	65,166,864.78
November 2001	269,587,928.12	121,111,684.85	65,166,864.78

<u>Distribution Date</u>	<u>Aggregate Group Scheduled Balance</u>	<u>Subset I Planned Balance</u>	<u>Subset II Planned Balance</u>
December 2001	\$266,184,868.08	\$119,270,298.78	\$65,166,864.78
January 2002	262,811,289.89	117,431,083.20	65,166,864.78
February 2002	259,466,944.64	115,594,023.02	65,166,864.78
March 2002	256,151,585.50	113,759,103.17	65,166,864.78
April 2002	252,864,967.71	111,926,308.54	65,166,864.78
May 2002	249,606,848.56	110,095,624.06	65,166,864.78
June 2002	246,376,987.38	108,267,034.63	65,166,864.78
July 2002	243,175,145.52	106,440,525.18	65,166,864.78
August 2002	240,001,086.34	104,616,080.61	65,166,864.78
September 2002	236,854,575.17	102,793,685.85	65,166,864.78
October 2002	233,735,379.32	100,973,325.80	65,166,864.78
November 2002	230,643,268.06	99,154,985.40	65,166,864.78
December 2002	227,578,012.59	97,338,649.55	65,166,864.78
January 2003	224,539,386.01	95,524,303.17	65,166,864.78
February 2003	221,527,163.35	93,711,931.19	65,166,864.78
March 2003	218,541,121.53	91,901,518.50	65,166,864.78
April 2003	215,581,039.32	90,093,050.05	65,166,864.78
May 2003	212,646,697.38	88,286,510.72	65,166,864.78
June 2003	209,737,878.16	86,481,885.45	65,166,864.78
July 2003	206,854,365.99	84,679,159.15	65,166,864.78
August 2003	203,995,946.99	82,878,316.73	65,166,864.78
September 2003	201,162,409.05	81,079,343.10	65,166,864.78
October 2003	198,353,541.88	79,282,223.16	65,166,864.78
November 2003	195,569,136.94	77,486,941.84	65,166,864.78
December 2003	192,808,987.42	75,693,484.03	65,166,864.78
January 2004	190,072,888.29	73,901,834.65	65,166,864.78
February 2004	187,360,636.19	72,111,978.59	65,166,864.78
March 2004	184,672,029.51	70,323,900.76	65,166,864.78
April 2004	182,006,868.31	68,537,586.05	65,166,864.78
May 2004	179,364,954.33	66,753,019.37	65,166,864.78
June 2004	176,746,090.98	64,970,185.60	65,166,864.78
July 2004	174,160,853.77	63,189,069.64	65,166,864.78
August 2004	171,610,932.58	61,409,656.37	65,166,864.78
September 2004	169,095,859.41	59,631,930.69	65,166,864.78
October 2004	166,615,172.37	57,855,877.47	65,166,864.78
November 2004	164,168,415.59	56,081,481.59	65,166,864.78
December 2004	161,755,139.18	54,308,727.92	65,166,864.78
January 2005	159,374,899.10	52,537,601.35	65,166,864.78
February 2005	157,027,257.13	50,768,086.74	65,166,864.78
March 2005	154,711,780.78	49,000,168.94	65,166,864.78
April 2005	152,428,043.19	47,233,832.83	65,166,864.78
May 2005	150,175,623.09	45,469,870.64	65,166,057.40
June 2005	147,954,104.74	43,742,280.98	65,130,428.88
July 2005	145,763,077.80	42,050,329.15	65,060,698.76
August 2005	143,602,137.30	40,393,295.12	64,957,571.91
September 2005	141,470,883.59	38,770,473.23	64,821,738.85
October 2005	139,368,922.22	37,181,171.88	64,653,876.00
November 2005	137,295,863.92	35,624,713.26	64,454,645.99
December 2005	135,251,324.48	34,100,433.10	64,224,697.91
January 2006	133,234,924.75	32,607,680.38	63,964,667.61
February 2006	131,246,290.52	31,145,817.09	63,675,177.91
March 2006	129,285,052.48	29,714,217.92	63,356,838.92

<u>Distribution Date</u>	<u>Aggregate Group Scheduled Balance</u>	<u>Subset I Planned Balance</u>	<u>Subset II Planned Balance</u>
April 2006.....	\$127,350,846.15	\$ 28,312,270.08	\$63,010,248.22
May 2006	125,443,311.84	26,939,373.00	62,635,991.18
June 2006	123,562,094.53	25,594,938.12	62,234,641.16
July 2006	121,706,843.87	24,278,388.63	61,806,759.74
August 2006	119,877,214.10	22,989,159.24	61,352,896.98
September 2006.....	118,072,863.98	21,726,695.96	60,873,591.64
October 2006	116,293,456.74	20,490,455.89	60,369,371.39
November 2006	114,538,660.00	19,279,906.96	59,840,753.04
December 2006	112,808,145.77	18,094,527.75	59,295,618.02
January 2007	111,101,590.33	16,933,807.28	58,749,783.05
February 2007	109,418,674.21	15,797,244.76	58,203,429.44
March 2007	107,759,082.11	14,684,349.46	57,656,732.65
April 2007.....	106,122,502.88	13,594,640.44	57,109,862.44
May 2007	104,508,629.45	12,527,646.40	56,562,983.04
June 2007	102,917,158.75	11,482,905.48	56,016,253.27
July 2007	101,347,791.69	10,459,965.04	55,469,826.65
August 2007	99,800,233.13	9,458,381.54	54,923,851.59
September 2007.....	98,274,191.76	8,477,720.31	54,378,471.46
October 2007	96,769,380.11	7,517,555.38	53,833,824.74
November 2007	95,285,514.48	6,577,469.33	53,290,045.15
December 2007	93,822,314.88	5,657,053.10	52,747,261.78
January 2008	92,379,504.99	4,755,905.84	52,205,599.15
February 2008	90,956,812.14	3,873,634.72	51,665,177.42
March 2008	89,553,967.20	3,009,854.80	51,126,112.40
April 2008.....	88,170,704.61	2,164,188.87	50,588,515.73
May 2008	86,806,762.26	1,336,267.28	50,052,494.99
June 2008	85,461,881.51	525,727.78	49,518,153.73
July 2008	84,135,807.09	0.00	48,717,807.09
August 2008	82,828,287.10	0.00	47,410,287.10
September 2008.....	81,539,072.93	0.00	46,121,072.93
October 2008	80,267,919.25	0.00	44,849,919.25
November 2008	79,014,583.94	0.00	43,596,583.94
December 2008	77,778,828.07	0.00	42,360,828.07
January 2009	76,560,415.84	0.00	41,142,415.84
February 2009	75,359,114.55	0.00	39,941,114.55
March 2009	74,174,694.57	0.00	38,756,694.57
April 2009.....	73,006,929.27	0.00	37,588,929.27
May 2009	71,855,595.00	0.00	36,437,595.00
June 2009	70,720,471.07	0.00	35,302,471.07
July 2009	69,601,339.66	0.00	34,183,339.66
August 2009	68,497,985.84	0.00	33,079,985.84
September 2009.....	67,410,197.49	0.00	31,992,197.49
October 2009	66,337,765.30	0.00	30,919,765.30
November 2009	65,280,482.69	0.00	29,862,482.69
December 2009	64,238,145.82	0.00	28,820,145.82
January 2010	63,210,553.50	0.00	27,792,553.50
February 2010	62,197,507.22	0.00	26,779,507.22
March 2010	61,198,811.07	0.00	25,780,811.07
April 2010.....	60,214,271.72	0.00	24,796,271.72
May 2010	59,243,698.38	0.00	23,825,698.38
June 2010	58,286,902.78	0.00	22,868,902.78
July 2010	57,343,699.13	0.00	21,925,699.13

<u>Distribution Date</u>	<u>Aggregate Group Scheduled Balance</u>	<u>Subset I Planned Balance</u>	<u>Subset II Planned Balance</u>
August 2010	\$ 56,413,904.08	\$ 0.00	\$20,995,904.08
September 2010.....	55,497,336.70	0.00	20,079,336.70
October 2010	54,593,818.43	0.00	19,175,818.43
November 2010	53,703,173.09	0.00	18,285,173.09
December 2010	52,825,226.81	0.00	17,407,226.81
January 2011	51,959,808.00	0.00	16,541,808.00
February 2011	51,106,747.34	0.00	15,688,747.34
March 2011	50,265,877.75	0.00	14,847,877.75
April 2011.....	49,437,034.34	0.00	14,019,034.34
May 2011	48,620,054.41	0.00	13,202,054.41
June 2011	47,814,777.40	0.00	12,396,777.40
July 2011	47,021,044.86	0.00	11,603,044.86
August 2011	46,238,700.44	0.00	10,820,700.44
September 2011.....	45,467,589.86	0.00	10,049,589.86
October 2011	44,707,560.85	0.00	9,289,560.85
November 2011	43,958,463.19	0.00	8,540,463.19
December 2011	43,220,148.61	0.00	7,802,148.61
January 2012	42,492,470.80	0.00	7,074,470.80
February 2012	41,775,285.42	0.00	6,357,285.42
March 2012	41,068,449.99	0.00	5,650,449.99
April 2012.....	40,371,823.93	0.00	4,953,823.93
May 2012	39,685,268.54	0.00	4,267,268.54
June 2012	39,008,646.92	0.00	3,590,646.92
July 2012	38,341,823.99	0.00	2,923,823.99
August 2012	37,684,666.47	0.00	2,266,666.47
September 2012.....	37,037,042.83	0.00	1,619,042.83
October 2012	36,398,823.29	0.00	980,823.29
November 2012	35,769,879.77	0.00	351,879.77
December 2012	35,150,085.89	0.00	0.00
January 2013	34,539,316.97	0.00	0.00
February 2013	33,937,449.93	0.00	0.00
March 2013	33,344,363.37	0.00	0.00
April 2013.....	32,759,937.46	0.00	0.00
May 2013	32,184,053.98	0.00	0.00
June 2013	31,616,596.27	0.00	0.00
July 2013	31,057,449.21	0.00	0.00
August 2013	30,506,499.21	0.00	0.00
September 2013.....	29,963,634.18	0.00	0.00
October 2013	29,428,743.54	0.00	0.00
November 2013	28,901,718.14	0.00	0.00
December 2013	28,382,450.30	0.00	0.00
January 2014	27,870,833.77	0.00	0.00
February 2014	27,366,763.71	0.00	0.00
March 2014	26,870,136.64	0.00	0.00
April 2014.....	26,380,850.50	0.00	0.00
May 2014	25,898,804.56	0.00	0.00
June 2014	25,423,899.43	0.00	0.00
July 2014	24,956,037.04	0.00	0.00
August 2014	24,495,120.62	0.00	0.00
September 2014.....	24,041,054.70	0.00	0.00
October 2014	23,593,745.06	0.00	0.00
November 2014	23,153,098.75	0.00	0.00

<u>Distribution Date</u>	<u>Aggregate Group Scheduled Balance</u>	<u>Subset I Planned Balance</u>	<u>Subset II Planned Balance</u>
December 2014	\$ 22,719,024.05	\$ 0.00	\$ 0.00
January 2015	22,291,430.44	0.00	0.00
February 2015	21,870,228.64	0.00	0.00
March 2015	21,455,330.53	0.00	0.00
April 2015	21,046,649.17	0.00	0.00
May 2015	20,644,098.78	0.00	0.00
June 2015	20,247,594.73	0.00	0.00
July 2015	19,857,053.49	0.00	0.00
August 2015	19,472,392.68	0.00	0.00
September 2015	19,093,530.99	0.00	0.00
October 2015	18,720,388.20	0.00	0.00
November 2015	18,352,885.17	0.00	0.00
December 2015	17,990,943.79	0.00	0.00
January 2016	17,634,487.02	0.00	0.00
February 2016	17,283,438.83	0.00	0.00
March 2016	16,937,724.22	0.00	0.00
April 2016	16,597,269.16	0.00	0.00
May 2016	16,262,000.65	0.00	0.00
June 2016	15,931,846.63	0.00	0.00
July 2016	15,606,736.02	0.00	0.00
August 2016	15,286,598.69	0.00	0.00
September 2016	14,971,365.44	0.00	0.00
October 2016	14,660,967.98	0.00	0.00
November 2016	14,355,338.98	0.00	0.00
December 2016	14,054,411.95	0.00	0.00
January 2017	13,758,121.35	0.00	0.00
February 2017	13,466,402.46	0.00	0.00
March 2017	13,179,191.46	0.00	0.00
April 2017	12,896,425.38	0.00	0.00
May 2017	12,618,042.10	0.00	0.00
June 2017	12,343,980.30	0.00	0.00
July 2017	12,074,179.52	0.00	0.00
August 2017	11,808,580.08	0.00	0.00
September 2017	11,547,123.12	0.00	0.00
October 2017	11,289,750.57	0.00	0.00
November 2017	11,036,405.12	0.00	0.00
December 2017	10,787,030.24	0.00	0.00
January 2018	10,541,570.17	0.00	0.00
February 2018	10,299,969.87	0.00	0.00
March 2018	10,062,175.06	0.00	0.00
April 2018	9,828,132.20	0.00	0.00
May 2018	9,597,788.43	0.00	0.00
June 2018	9,371,091.65	0.00	0.00
July 2018	9,147,990.41	0.00	0.00
August 2018	8,928,433.99	0.00	0.00
September 2018	8,712,372.34	0.00	0.00
October 2018	8,499,756.07	0.00	0.00
November 2018	8,290,536.48	0.00	0.00
December 2018	8,084,665.50	0.00	0.00
January 2019	7,882,095.73	0.00	0.00
February 2019	7,682,780.38	0.00	0.00
March 2019	7,486,673.33	0.00	0.00

<u>Distribution Date</u>	<u>Aggregate Group Scheduled Balance</u>	<u>Subset I Planned Balance</u>	<u>Subset II Planned Balance</u>
April 2019.....	\$ 7,293,729.05	\$ 0.00	\$ 0.00
May 2019	7,103,902.63	0.00	0.00
June 2019	6,917,149.77	0.00	0.00
July 2019	6,733,426.77	0.00	0.00
August 2019	6,552,690.52	0.00	0.00
September 2019.....	6,374,898.48	0.00	0.00
October 2019	6,200,008.69	0.00	0.00
November 2019	6,027,979.77	0.00	0.00
December 2019	5,858,770.89	0.00	0.00
January 2020	5,692,341.77	0.00	0.00
February 2020	5,528,652.66	0.00	0.00
March 2020	5,367,664.38	0.00	0.00
April 2020.....	5,209,338.26	0.00	0.00
May 2020	5,053,636.15	0.00	0.00
June 2020	4,900,520.43	0.00	0.00
July 2020	4,749,953.98	0.00	0.00
August 2020	4,601,900.18	0.00	0.00
September 2020.....	4,456,322.93	0.00	0.00
October 2020	4,313,186.58	0.00	0.00
November 2020	4,172,456.00	0.00	0.00
December 2020	4,034,096.51	0.00	0.00
January 2021	3,898,073.93	0.00	0.00
February 2021	3,764,354.51	0.00	0.00
March 2021	3,638,485.24	0.00	0.00
April 2021.....	3,514,744.31	0.00	0.00
May 2021	3,393,100.96	0.00	0.00
June 2021	3,273,524.89	0.00	0.00
July 2021	3,155,986.20	0.00	0.00
August 2021	3,040,455.39	0.00	0.00
September 2021.....	2,926,903.36	0.00	0.00
October 2021	2,815,301.41	0.00	0.00
November 2021	2,705,621.24	0.00	0.00
December 2021	2,597,834.92	0.00	0.00
January 2022	2,491,914.91	0.00	0.00
February 2022	2,387,834.04	0.00	0.00
March 2022	2,285,565.51	0.00	0.00
April 2022.....	2,185,082.90	0.00	0.00
May 2022	2,086,360.12	0.00	0.00
June 2022	1,993,806.61	0.00	0.00
July 2022	1,902,875.30	0.00	0.00
August 2022	1,813,542.46	0.00	0.00
September 2022.....	1,725,784.71	0.00	0.00
October 2022	1,639,579.00	0.00	0.00
November 2022	1,554,902.57	0.00	0.00
December 2022	1,471,732.99	0.00	0.00
January 2023	1,390,048.12	0.00	0.00
February 2023	1,309,826.14	0.00	0.00
March 2023	1,231,045.51	0.00	0.00
April 2023.....	1,153,685.00	0.00	0.00
May 2023	1,077,723.67	0.00	0.00
June 2023	1,003,140.87	0.00	0.00
July 2023	941,310.52	0.00	0.00

<u>Distribution Date</u>	<u>Aggregate Group Scheduled Balance</u>	<u>Subset I Planned Balance</u>	<u>Subset II Planned Balance</u>
August 2023	\$ 880,594.98	\$ 0.00	\$ 0.00
September 2023.....	820,977.79	0.00	0.00
October 2023	762,442.77	0.00	0.00
November 2023	704,973.93	0.00	0.00
December 2023	648,555.51	0.00	0.00
January 2024	593,171.95	0.00	0.00
February 2024	538,807.93	0.00	0.00
March 2024	485,448.32	0.00	0.00
April 2024.....	433,078.21	0.00	0.00
May 2024	381,682.89	0.00	0.00
June 2024	343,607.96	0.00	0.00
July 2024	306,238.95	0.00	0.00
August 2024	269,565.37	0.00	0.00
September 2024.....	233,576.88	0.00	0.00
October 2024	198,263.27	0.00	0.00
November 2024	163,614.47	0.00	0.00
December 2024	129,620.55	0.00	0.00
January 2025	96,271.74	0.00	0.00
February 2025	63,558.37	0.00	0.00
March 2025	31,470.92	0.00	0.00
April 2025 and thereafter	0.00	0.00	0.00

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.

\$1,016,217,000



FannieMae

**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 1997-63**

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PROSPECTUS SUPPLEMENT

**GREENWICH
CAPITAL MARKETS**

A DIVISION OF NATWEST MARKETS

NWM

July 30, 1997