

\$1,144,248,546



# FannieMae

## Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 1997-74

The Guaranteed REMIC Pass-Through Certificates offered hereby (the "REMIC Certificates") will represent beneficial ownership interests in one of two trust funds. The REMIC Certificates, other than the RL Class, will represent beneficial ownership interests in Fannie Mae REMIC Trust 1997-74 (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 (i) three groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates described herein (the "Group 1 MBS," "Group 3 MBS" and "Group 4 MBS" and, together, the "Trust MBS"), (ii) certain "fully modified pass-through" mortgage-backed securities (the "GNMA Certificates") guaranteed as to timely payment of principal and interest by the Government National Mortgage Association ("GNMA") and (iii) certain previously issued REMIC certificates (the "Underlying REMIC Certificates") evidencing beneficial ownership interests in the related Fannie Mae REMIC Trusts (the "Underlying REMIC Trusts") as further described in Exhibit A hereto. The assets of the Underlying REMIC Trusts evidence beneficial ownership interests in 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 of first lien, single-family, fixed-rate residential mortgage loans having the characteristics described herein. Each GNMA Certificate is based on and backed by a pool of mortgage loans (together with the pools and mortgage loans underlying the MBS, the "Pools" and "Mortgage Loans," respectively) which are either insured or guaranteed by the Federal Housing Administration ("FHA"), the Department of Veterans Affairs ("VA") or the Rural Housing Service ("FmHA"). The Certificates will be issued and guaranteed as to timely distribution of principal and interest by Fannie Mae.

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

See "Additional Risk Factors" on page S-8 hereof and "Risk Factors" beginning on page 8 of the REMIC Prospectus and GNMA 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(1)	Group	Original Class Balance	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date	Class(1)	Group	Original Class Balance	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date
PA	1	\$ 57,375,000	PAC	6.25%	FIX	31359QT 9 5	June 2017	G	3	\$216,000,000	SEQ	6.50%	FIX	31359QV 8 4	July 2024
PD	1	29,514,000	PAC	6.25	FIX	31359QU 2 8	February 2021	H	3	24,000,000	SEQ	6.50	FIX	31359QV 9 2	August 2025
PE	1	29,954,000	PAC	6.50	FIX	31359QU 3 6	November 2023	J	3	60,000,000	SEQ	6.50	FIX	31359QW 2 6	November 2027
PG	1	36,266,000	PAC	6.50	FIX	31359QU 4 4	June 2026	K	4	23,205,000	SEQ	6.50	FIX	31359QW 3 4	June 2006
PH	1	24,577,000	PAC	6.50	FIX	31359QU 5 1	November 2027	L	4	213,249,000	SEQ	6.50	FIX	31359QW 4 2	February 2027
PJ	1	7,201,392(3)	NTL	7.00	FIX/IO	31359QU 6 9	February 2021	M	4	18,546,000	SEQ	6.50	FIX	31359QW 5 9	November 2027
PK	1	8,593,642(3)	NTL	7.00	FIX/IO	31359QU 7 7	November 2027	NA	4	15,000,000	SEQ	6.50	FIX	31359QW 6 7	October 2017
A	1	61,023,000	TAC	7.00	FIX	31359QU 8 5	August 2025	NB	4	10,000,000	SEQ	6.50	FIX	31359QW 7 5	April 2022
F	1	9,338,000	SUP	(4)	FLT	31359QU 9 3	February 2026	NC	4	20,000,000	SEQ	6.50	FIX	31359QW 8 3	November 2027
S	1	2,668,000	SUP	(4)	INV	31359QU 2 7	February 2026	PO	5	5,407,546	SC/PT	(5)	PO	31359QW 9 1	August 2021
FD	1	38,332,777	SUP	(4)	FLT	31359QV 3 5	November 2027	SB	5	5,407,546(3)	NTL	(6)	INV/IO	31359QX 2 5	August 2021
SD	1	10,952,223	SUP	(4)	INV	31359QV 4 3	November 2027	CA	6	38,841,000	SC/PT	6.00	FIX	31359QX 3 3	March 2022
C	2	19,000,000	SEQ	7.50	FIX	31359QV 5 0	February 2007	CB	6	7,120,850(3)	NTL	7.50	FIX/IO	31359QX 4 1	March 2022
D	2	115,000,000	SEQ	7.50	FIX	31359QV 6 8	September 2023	R		0	NPR		NPR	31359QX 5 8	November 2027
E	2	66,000,000	SEQ	7.50	FIX	31359QV 7 6	October 2027	RL		0	NPR		NPR	31359QX 6 6	November 2027

- (1) The B, N and SE Classes are RCR Classes. See "Description of the Certificates—Combination and Recombination herein and Schedule 1 hereto for a description of the RCR Classes.
- (2) 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.
- (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) 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.
- (5) This Class will be a Principal Only Class and will bear no interest.
- (6) This Class will bear interest based on the "7 Year Treasury Index" as described under "Description of the Certificates—Distributions of Interest" herein and "Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes" in the REMIC Prospectus.

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

The Certificates will be offered by the Dealer, subject to issuance by Fannie Mae and to prior sale or to withdrawal or modification of the offer without notice, when, as and if delivered to and accepted by the Dealer, subject to the right by the Dealer to reject any order in whole or in part and subject to approval of certain legal matters by counsel. It is expected that the FD and SD Classes, the Group 2 Classes, the NA, NB, NC, PO and SB Classes and the RCR Certificates will be available through the book-entry facilities of The Depository Trust Company and that all other Classes (except for the R and RL Classes) will be available through the book-entry system of the Federal Reserve Banks on or about October 30, 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, Three World Financial Center, New York, New York 10285, on or about the Settlement Date.

## LEHMAN BROTHERS

September 23, 1997

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Certain of the Classes of REMIC Certificates may, upon notice and payment of an exchange fee, be exchanged for one or more Classes (each, an “RCR Class”) of Combinable and Recombinable REMIC Certificates (“RCR Certificates”) as provided herein. Each RCR Certificate issued in such an exchange will represent a beneficial ownership interest in, and will entitle the Holder thereof to receive a proportionate share of the distributions on, the related Class or Classes of REMIC Certificates. The characteristics of the RCR Classes are set forth in Schedule 1 hereto. As used herein, unless the context requires otherwise, the term “Certificates” includes REMIC Certificates and RCR Certificates and the term “Classes” includes the Classes of REMIC Certificates and the Classes of RCR Certificates. See “Description of the Certificates—Combination and Recombination” herein and Schedule 1 hereto.

The yields to investors in the Group 1, Group 2, Group 3 and Group 4 Classes (as described herein) will be sensitive in varying degrees to, among other things, the rate of principal distributions on the Group 1 MBS, the GNMA Certificates, the Group 3 MBS and the Group 4 MBS, 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 5 and Group 6 Classes (as described herein) will be sensitive in varying degrees to, among other things, the rate of principal distributions of the related Underlying REMIC Certificates, which in turn will be sensitive in varying degrees to the rate of principal payments of the related Mortgage Loans, the characteristics of the Mortgage Loans included in the related Pools and the priority sequences affecting distributions on the Underlying REMIC Certificates. 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 applicable Index (as defined herein). Accordingly, investors should consider the following risks:

- The Mortgage Loans generally may be prepaid at any time without penalty, and, accordingly, the rate of principal payments thereon is likely to vary considerably from time to time.
  - Slight variations in Mortgage Loan characteristics could substantially affect the weighted average lives and yields of some or all of the Classes.
  - In the case of any Certificates purchased at a discount to their principal amounts (including 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 applicable 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 “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, the GNMA Prospectus, the Prospectus Supplements for the Underlying REMIC Trusts (collectively, the “Underlying REMIC Disclosure Documents”) 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 REMIC Pass-Through Certificates (backed by GNMA Certificates) dated June 14, 1996 (the “GNMA Prospectus”), which is attached to this Prospectus Supplement;
- Fannie Mae’s Prospectus for Guaranteed Mortgage Pass-Through Certificates dated August 1, 1997 (the “MBS Prospectus”);
- Fannie Mae’s Information Statement dated March 31, 1997 and any supplements thereto (collectively, the “Information Statement”); and
- The Underlying REMIC Disclosure Documents.

The MBS Prospectus and the Information Statement are incorporated herein by reference and, together with the other Disclosure Documents, 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 Documents, may also be obtained from Lehman Brothers Inc. by writing or calling its Prospectus Department at 536 Broadhollow Road, Melville, New York 11747 (telephone 516-254-7106).

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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 and the GNMA Certificates (as of October 1, 1997)

	Group	Approximate Principal Balance	Original Term to Maturity (in months)	Approximate Weighted Average Remaining Term to Maturity or WARM (in months)	Approximate Calculated Loan Age or WALA (in months)	Approximate Weighted Average Coupon
Group 1 MBS	1	\$300,000,000	360	355	4	7.50%
GNMA Certificates	2	\$200,000,000	360	358	1	8.25%
Group 3 MBS	3	\$300,000,000	360	335	23	7.05%
Group 4 MBS	4	\$300,000,000	360	356	4	7.50%

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 Certificates

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

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

### Combination and Recombination

Holders of certain Classes of REMIC Certificates will be entitled, upon notice and payment of an exchange fee, to exchange all or a portion of such Classes for a proportionate interest in the related RCR Classes as reflected on Schedule 1 hereto. The Holders of RCR Classes will be entitled to receive distributions of principal and interest from the related Classes of REMIC Certificates. See “Description of the Certificates—Combination and Recombination” herein. Schedule 1 sets forth all of the available combinations of the Classes of REMIC Certificates and the related RCR Classes.

### 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 or determined as described 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 .....	6.22500%	9.00000%	0.6%	LIBOR + 60 basis points
S .....	9.71250%	29.40000%	0.0%	$29.4\% - (3.5 \times \text{LIBOR})$
FD.....	6.52500%	9.00000%	0.9%	LIBOR + 90 basis points
SD.....	8.66248%	28.34998%	0.0%	$28.34998\% - (3.5 \times \text{LIBOR})$
SB.....	16.55800%(1)	17.00000%	0.0%	$37.4\% - (3.4 \times \text{7-Year Treasury Index})$
SE.....	16.55800%(1)	17.00000%	0.0%	$37.4\% - (3.4 \times \text{7-Year Treasury Index})$

(1) The initial interest rates for these Classes are assumed rates. The actual initial interest rates for these Classes will be calculated on the basis of the applicable formulas for the calculation of such interest rates on the Index Determination Date occurring on October 23, 1997.

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

On any Distribution Date when distributions of interest are to be allocated from REMIC Certificates to RCR Certificates, such distributions will be allocated on a pro rata basis from the applicable Class or Classes of REMIC Certificates to the related RCR Class.

### 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

PJ .....	10.7142857143% of PA Class
	3.5714285714% of PD Class
PK .....	7.1428571429% of PD Class
	7.1428571429% of PE Class
	7.1428571429% of PG Class
	7.1428571429% of PH Class
SB .....	100% of PO Class
CB .....	18.3333333333% of CA Class

See “Description of the Certificates—Distributions of Interest—*Notional Classes*” and “—Yield Tables—The PJ, PK and CB Classes” and “—*The Inverse Floating Rate Classes and the SE Class*” 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, GNMA Certificates or Underlying REMIC Certificates, as applicable. For such purposes, the Principal Distribution Amount will be allocated among the Groups of Classes as described herein under “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*.”

#### *Group 1 Principal Distribution Amount*

1. To the PA, PD, PE, PG and PH Classes, in that order, to their Planned Balances.
2. To the A Class, to its Targeted Balance.
3. To the F and S Classes, in proportion to their original principal balances, to zero.
4. To the A Class, to zero.
5. To the FD and SD Classes, in proportion to their original principal balances, to zero.
6. To the PA, PD, PE, PG and PH Classes, in that order, to zero.



*Group 2 Principal Distribution Amount*

To the C, D and E Classes, in that order, to zero.

*Group 3 Principal Distribution Amount*

To the G, H and J Classes, in that order, to zero.

*Group 4 Principal Distribution Amount*

1. To the NA, NB and NC Classes, in that order, as specified herein under “Description of the Certificates—Distributions of Principal.”
2. To the K, L, M, NA, NB and NC Classes, in that order, to zero.

*Group 5 Principal Distribution Amount*

To the PO Class, to zero.

*Group 6 Principal Distribution Amount*

To the CA Class, to zero.

On any Distribution Date when distributions of principal are to be allocated from REMIC Certificates to RCR Certificates, such distributions will be allocated on a pro rata basis from the applicable Classes of REMIC Certificates to the related RCR Class.

**Weighted Average Lives (years) \***

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>155%</u>	<u>275%</u>	<u>500%</u>
PA .....	10.0	3.4	3.4	3.4	2.8
PD .....	17.1	6.0	6.0	6.0	3.8
PE .....	20.0	8.0	8.0	8.0	4.7
PG .....	22.5	11.0	11.0	11.0	6.3
PH .....	24.5	17.7	17.7	17.7	10.3
PJ .....	11.1	3.8	3.8	3.8	3.0
PK .....	21.0	10.4	10.4	10.4	6.1
F and S .....	28.0	18.6	1.4	0.6	0.4
FD, SD and B .....	29.1	24.4	19.5	4.4	2.1

<u>Group 1 Class</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>105%</u>	<u>155%</u>	<u>275%</u>	<u>500%</u>
A .....	24.9	9.1	8.1	4.2	1.6	1.1

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>150%</u>	<u>300%</u>	<u>500%</u>
C .....	5.3	1.5	1.3	0.9	0.7
D .....	19.6	7.9	6.0	3.6	2.6
E .....	28.1	21.5	17.9	10.9	6.9

<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>145%</u>	<u>300%</u>	<u>500%</u>
G .....	18.2	6.4	4.8	2.4	1.4
H .....	27.2	16.2	12.8	6.8	3.9
J .....	28.9	22.3	19.5	11.8	7.1

<u>Group 4 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>325%</u>	<u>450%</u>	<u>650%</u>
K .....	4.7	1.1	0.6	0.5	0.4
L .....	21.9	10.3	3.8	2.9	2.2
M .....	29.6	27.1	13.2	6.8	4.4
NA .....	14.1	8.6	6.9	6.5	5.1
NB .....	22.3	13.5	9.3	8.5	5.9
NC .....	27.4	21.9	14.1	12.1	8.3
N .....	21.8	15.6	10.6	9.4	6.7

<u>Group 5 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
PO, SB and SE .....	19.7	11.8	8.1	5.9	3.6

<u>Group 6 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
CA and CB .....	18.8	5.7	5.5	5.4	3.4

\* 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, Group 2, Group 3 and Group 4 Classes will be sensitive in varying degrees to the rate of principal distributions on the Group 1 MBS, GNMA Certificates, Group 3 MBS and Group 4 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 related Mortgage Loans will have the characteristics assumed herein. Because the rate of principal distributions on the Group 1, Group 2, Group 3 and Group 4 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 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 5 and Group 6 Classes will be directly related to the rate of distributions of principal of the related Underlying REMIC Certificates, which in turn will be sensitive in varying degrees to the rate of payments of principal (including prepayments) of the related Mortgage Loans and the priority sequences affecting distributions on such Underlying REMIC Certificates. As described in the related Underlying REMIC Disclosure Documents, the Underlying REMIC Certificates are subordinate in priority of principal distributions to certain other classes of certificates evidencing beneficial ownership interests in the related Underlying REMIC Trusts and, accordingly, distributions of principal of the related Mortgage Loans may for extended periods be applied to the distribution of principal of those classes of certificates having priority over such Underlying REMIC Certificates. In addition, one of the Underlying REMIC Certificates has a Principal Balance Schedule and, as a result, may receive principal distributions at a rate faster or slower than would otherwise have been the case (and may receive no distributions of principal for an extended period). Prepayments on the related Mortgage Loans may have occurred at a rate faster or slower than that initially assumed. This Prospectus Supplement contains no information as to whether such class has adhered to its Principal Balance Schedule, whether any related Support classes remain outstanding or whether such class otherwise has performed as originally anticipated. Additional information as to the Underlying REMIC Certificates may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the related Underlying REMIC Disclosure Documents, which may be obtained from Fannie Mae as described herein.

The Mortgage Loans underlying the Group 4 MBS are relocation mortgage loans (as defined herein under “Description of the Certificates—The Trust MBS”). Accordingly, the rate of prepayment of such Mortgage Loans will depend in part on the occurrence and timing of any future relocation of the borrowers thereunder. Such prepayment experience would depend on, among other things, the circumstances of individual employees and employers and the characteristics of the specific relocation programs involved. Borrowers under relocation mortgage loans are thought by some within the mortgage industry to be more likely to be transferred by their employers than non-relocation mortgage loan borrowers, which would result in relocation mortgage loans experiencing a higher rate of prepayment than non-relocation mortgage loans. However, Fannie Mae cannot estimate what the prepayment experience of the related Mortgage Loans will be or how it might compare to that of non-relocation mortgage loans, nor is Fannie Mae aware of any conclusive studies or statistics on the rate of prepayment of mortgage loans such as the related Mortgage Loans.

It is highly unlikely that the Mortgage Loans underlying the Group 1 MBS, GNMA Certificates, Group 3 MBS, Group 4 MBS or the Underlying REMIC Certificates, as applicable, 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, 20th or 25th day, as applicable, 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 October 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 Trust MBS, GNMA Certificates and Underlying REMIC Certificates (which evidence beneficial ownership interests in the Underlying REMIC Trusts).

*Fannie Mae Guaranty.* Fannie Mae guarantees to each holder of an MBS the timely payment of scheduled installments of principal of and interest on the underlying Mortgage Loans, whether or not received, together with the full principal balance of any foreclosed Mortgage Loan, whether or not such balance is actually recovered. The guaranty obligations of Fannie Mae with respect to the Underlying REMIC Certificates are described in the Underlying REMIC Disclosure Documents. 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 related Underlying REMIC Disclosure Documents.

*Characteristics of Certificates.* The FD and SD Classes, the Group 2 Classes, the NA, NB, NC, PO and SB Classes and the RCR Certificates will be represented by one or more certificates (the “DTC Certificates”) to be registered at all times in the name of the nominee of the Depository (as defined herein), which Depository will maintain such Certificates through its book-entry facilities.

When used herein with respect to any DTC Certificate, the terms “Holders” and “Certificateholders” refer to the nominee of the Depository.

The Certificates of all other Classes (except for the R and the 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 Certificates, the “Fed Book-Entry Certificates”). Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts the Fed Book-Entry Certificates have been deposited are herein referred to as “Holders” or “Certificateholders.”

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

The R 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 Group 1, Group 3, Group 4 and Group 6 Classes 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), distributions on the Group 2 Classes will be made on the first business day following the 20th day of each month (or, if the 19th and 20th days are both business days, on such 20th day), and distributions on the Group 5 Classes will be made on the 25th day of each month (or, if the 25th day is not a business day, on the first business day next succeeding such 25th 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 thirteenth calendar day of each month, Fannie Mae will publish or otherwise make available for each Class of Certificates the factor (carried to eight decimal places) which, when multiplied by the original principal balance of a Certificate of such Class, will equal the remaining principal balance of such Certificate after giving effect to the distribution of principal to be made on the following Distribution Date.

*Optional Termination.* Consistent with its policy described under “Description of Certificates—Termination” in the MBS Prospectus, Fannie Mae will agree not to effect indirectly an early termination of the 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.

*Voting the Underlying REMIC Certificates.* In the event any issue arises under the trust indenture or trust agreement governing any of the Underlying REMIC Trusts that requires the vote of

holders of certificates outstanding thereunder, the Trustee will vote the related Underlying REMIC Certificates in accordance with instructions received from Holders of Certificates of the related Classes having principal balances aggregating not less than 51% of the aggregate principal balance of all such Classes outstanding. In the absence of such instructions, the Trustee will vote in a manner consistent, in its sole judgment, with the best interests of Certificateholders.

### **Combination and Recombination**

*General.* Subject to the rules, regulations and procedures of the Depository, all or a portion of the FD, SD, NA, NB, NC, PO and SB Classes of REMIC Certificates may be exchanged for a proportionate interest in one or more RCR Classes as reflected on Schedule 1 hereto. Similarly, all or a portion of one or more RCR Classes may be exchanged as reflected on Schedule 1, for certain Classes of REMIC Certificates. This process may occur repeatedly.

Each RCR Class issued in an exchange will represent a beneficial ownership interest in, and will be entitled to receive a proportionate share of the distributions on, the related Classes of REMIC Certificates, and the Holders of an RCR Class will be treated as the beneficial owners of a proportionate interest in the related Classes of REMIC Certificates.

The Classes of REMIC Certificates and RCR Certificates that are outstanding at any given time, and the outstanding principal balances (or notional principal balances) of such Classes, will depend upon distributions of principal of such Classes as well as any exchanges that occur. The aggregate outstanding principal balance of all the Classes of REMIC Certificates and RCR Classes (exclusive of any notional principal balance) will at all times equal the aggregate outstanding principal balance of the related Trust MBS, GNMA Certificates and Underlying REMIC Certificates.

*Procedures.* A Holder proposing to effect an exchange must notify Fannie Mae's Capital Markets Department through a dealer who is a member of Fannie Mae's "REMIC Dealer Group." Such notice must be given in writing or by telefax not later than two business days before the proposed exchange date (which date, subject to Fannie Mae's approval, can be any business day other than the first or last business day of the month). The notice must include the outstanding principal balance of both the Certificates to be exchanged and the Certificates to be received, and the proposed exchange date. Promptly after the receipt of a Holder's notice, Fannie Mae will telephone the dealer to provide instructions for delivering the Certificates and the exchange fee to Fannie Mae by wire transfer. A Holder's notice becomes irrevocable on the second business day before the proposed exchange date.

A fee will be payable to Fannie Mae in connection with each exchange equal to  $\frac{1}{32}$  of 1% of the outstanding principal balance (exclusive of any notional principal balance) of the Certificates to be submitted for exchange (but not less than \$2,000).

The first distribution on a REMIC Certificate or an RCR Certificate received in an exchange transaction will be made on the Distribution Date in the month following the month of the exchange. Such distribution will be made to the Holder of record as of the close of business on the last day of the month of the exchange.

Certificates to be exchanged must be delivered to Fannie Mae as provided in Schedule 1, based on the original principal balances of the related Classes of REMIC Certificates or RCR Certificates and will not change as a result of any reductions (or increases) in the outstanding principal balances of the Certificates.

*Additional Considerations.* The characteristics of an RCR Class will reflect the characteristics of the Classes of REMIC Certificates used to form such RCR Class.

At any given time, a Holder's ability to exchange REMIC Certificates for RCR Certificates or to exchange RCR Certificates for REMIC Certificates will be limited by a number of factors. A Holder must, at the time of the proposed exchange, own the appropriate Classes in the appropriate proportions in order to effect a desired exchange. A Holder that does not own the appropriate Classes

or the appropriate portions of such Classes may not be able to obtain the necessary Class or Classes of REMIC Certificates or the RCR Class or Classes. The Holder of a needed Class may refuse or be unable to sell at a reasonable price or any price, or certain Classes may have been purchased and placed into other financial structures. In addition, principal distributions will, over time, diminish the amounts available for exchange. Only the combinations listed on Schedule 1 are permitted.

## **Book-Entry Procedures**

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

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

The Fed Book-Entry Certificates will be issued and maintained only on the book-entry system of the Federal Reserve Banks. The Fed Book-Entry Certificates may be held of record only by entities eligible to maintain book-entry accounts with the Federal Reserve Banks. Beneficial owners ordinarily will hold Fed Book-Entry Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. A Holder that is not the beneficial owner of a Fed Book-Entry Certificate, and each other financial intermediary in the chain to the beneficial owner, will have the responsibility of establishing and maintaining accounts for their respective customers. The rights of the beneficial owner of a Fed Book-Entry Certificate with respect to Fannie Mae and the Federal Reserve Banks may be exercised only through the Holder of such Certificate. Fannie Mae and the Federal Reserve Banks will have no direct obligation to a beneficial owner of a Fed Book-Entry Certificate that is not also the Holder of such Certificate. The Federal Reserve Banks will act only upon the instructions of the Holder in recording transfers of a Fed Book-Entry Certificate. See “Description of the Certificates—Denominations, Certificate Form” in the REMIC Prospectus.

*Method of Distribution.* Each distribution on the DTC Certificates will be distributed by the Paying Agent to the Depository in immediately available funds. The Depository will be responsible for crediting the amount of such distributions to the accounts of the Depository Participants entitled thereto, in accordance with the Depository’s normal procedures, which currently provide for distributions in same-day funds settled through the New York Clearing House. Each Depository Participant and each financial intermediary will be responsible for disbursing such distributions to the beneficial owners of the DTC Certificates that it represents. Accordingly, the beneficial owners may experience some delay in their receipt of distributions.

Fannie Mae's fiscal agent for the Fed Book-Entry Certificates is the Federal Reserve Bank of New York. The Federal Reserve Banks will make distributions on such Certificates on behalf of Fannie Mae on the applicable Distribution Dates by crediting Holders' accounts at the Federal Reserve Banks.

## The Trust MBS

The Trust MBS included in each group specified below (each, an "MBS Group") will have the aggregate unpaid principal balance and Pass-Through Rate set forth below and the general characteristics described in the MBS Prospectus. The Trust 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 Trust MBS. The Mortgage Loans underlying the Trust 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 an original maturity of up to 30 years. In addition, the Mortgage Loans underlying the Group 4 MBS were originated pursuant to agreements between lenders and employers in connection with relocation programs maintained by employers that commonly relocate their employees ("relocation mortgage loans"), as opposed to being originated in connection with the non-recurring relocation of an employer's place of business. See "The Mortgage Pools" and "Yield Considerations" in the MBS Prospectus. The characteristics of the Group 1, Group 3 and Group 4 MBS and the related Mortgage Loans as of October 1, 1997 (the "Issue Date") are expected to be as follows:

### Group 1 MBS

Aggregate Unpaid Principal Balance .....	\$300,000,000
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 .....	355 months
Approximate Weighted Average CAGE .....	4 months

### Group 3 MBS

Aggregate Unpaid Principal Balance .....	\$300,000,000
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 .....	335 months
Approximate Weighted Average CAGE .....	23 months

### Group 4 MBS

Aggregate Unpaid Principal Balance .....	\$300,000,000
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 .....	356 months
Approximate Weighted Average CAGE .....	4 months

## The GNMA Certificates

The GNMA Certificates will have the aggregate unpaid principal balance and Pass-Through Rate set forth below and the general characteristics described in the GNMA Prospectus. All of the GNMA Certificates are GNMA II Certificates. See "GNMA and the GNMA Programs" in the GNMA



Prospectus. The characteristics of the GNMA Certificates and the Mortgage Loans as of the Issue Date are expected to be as follows:

**GNMA Certificates**

Aggregate Unpaid Principal Balance .....	\$200,000,000
GNMA Pass-Through Rate .....	7.50%

**Mortgage Loans**

Range of WACs .....	8.00% to 9.00%
Range of WARMs .....	241 months to 360 months
Approximate Weighted Average WARM .....	358 months
Approximate Weighted Average WALA .....	1 month

**The Underlying REMIC Certificates**

The Underlying REMIC Certificates represent beneficial ownership interests in the related Underlying REMIC Trusts, the assets of which evidence beneficial ownership interests in certain MBS having the general characteristics set forth in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a Pool of conventional Level Payment Mortgage Loans secured by 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 Underlying REMIC Certificates provide that distributions thereon will be passed through monthly, commencing in the month following the initial issuance thereof. The general characteristics of the Underlying REMIC Certificates are described in the related Underlying REMIC Disclosure Documents.

The table contained in Exhibit A hereto sets forth certain information with respect to each of the Underlying REMIC Certificates, including the numerical designation of the related 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 Lower Tier REMIC 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 Certificates as of the Issue Date, the underlying security type and the related Class Group.

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

**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 balances of the Underlying REMIC Certificates as of the Issue Date and (a) 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 and (b) with respect to each GNMA Certificate, among other things, the Pool number, the original unpaid principal balance, the unpaid principal balance as of the Issue Date, and the remaining term to maturity of the latest maturity Mortgage Loan underlying such GNMA Certificate as of the Issue Date. The Final Data Statement will not accompany this Prospectus Supplement but will be made available by Fannie Mae. To request the Final Data



Statement, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. The contents of the Final Data Statement and other data specific to the Certificates are available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000.

## 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>
<b>Group 1 Classes</b>	
Fixed Rate	PA, PD, PE, PG, PH, PJ, PK and A
Floating Rate	F and FD
Inverse Floating Rate	S and SD
Interest Only	PJ and PK
RCR**	B
<b>Group 2 Classes</b>	
Fixed Rate	C, D and E
<b>Group 3 Classes</b>	
Fixed Rate	G, H and J
<b>Group 4 Classes</b>	
Fixed Rate	K, L, M, NA, NB and NC
RCR**	N
<b>Group 5 Classes</b>	
Inverse Floating Rate	SB
Interest Only	SB
Principal Only	PO
RCR**	SE
<b>Group 6 Classes</b>	
Fixed Rate	CA and CB
Interest Only	CB
<b>No Payment Residual</b>	R and RL

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

\*\* See "Description of the Certificates—Combination and Recombination" herein and Schedule 1 for a further description of the RCR Classes.

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

On any Distribution Date when distributions of interest are to be allocated from REMIC Certificates to RCR Certificates, such distributions will be allocated on a pro rata basis from the applicable Class or Classes of REMIC Certificates to the related RCR Class.

*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>
F, S, SB and SE Classes	One month period ending on the day preceding the Distribution Date
All Fixed Rate Classes and the FD, SD, B and N 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.

*Notional Classes.* The PJ, PK, SB and CB Classes will be Notional Classes. The Notional Classes will not have principal balances and will bear interest at the applicable per annum interest rates set forth on the cover or as 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 herein 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 any distributions of principal. 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 applicable maximum and minimum interest rates, at 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 of the F, S, FD and SD 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%.

### **Calculation of 7-Year Treasury Index**

On each Index Determination Date, until the principal balances of the SB and SE Classes have been reduced to zero, Fannie Mae will ascertain the average yield on U.S. Treasury securities, adjusted to a constant maturity of seven years, in effect for the week ending on the last Friday immediately

preceding the related Index Determination Date in the manner described in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*Treasury Index*” with respect to yields on U.S. Treasury securities at “constant maturity.”

## 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>
<b>Group 1 Classes</b>	
PAC(1)	PA, PD, PE, PG and PH
TAC(1)	A
Support	F, S, FD and SD
Notional	PJ and PK
RCR**	B
<b>Group 2 Classes</b>	
Sequential Pay	C, D and E
<b>Group 3 Classes</b>	
Sequential Pay	G, H and J
<b>Group 4 Classes</b>	
Sequential Pay	K, L, M, NA, NB and NC
RCR**	N
<b>Group 5 Classes</b>	
Structured Collateral/Pass-Through	PO
Notional	SB
RCR**	SE
<b>Group 6 Classes</b>	
Structured Collateral/Pass-Through	CA
Notional	CB
<b>No Payment Residual</b>	R and RL

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

\*\* See “Description of the Certificates—Combination and Recombination” herein and Schedule 1 for a further description of the RCR Classes.

(1) The Principal Balance Schedules are set forth herein beginning on page B-1.

### *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 in the month of such Distribution Date (the “Group 1 Principal Distribution Amount”), (ii) the aggregate amount distributable as principal of the GNMA Certificates in the month of such Distribution Date calculated as described in the immediately following paragraph (the “Group 2 Principal Distribution Amount”), (iii) the aggregate distributions of principal to be made on the Group 3 MBS in the month of such Distribution Date (the “Group 3 Principal Distribution Amount”), (iv) the aggregate distributions of principal to be made on the Group 4 MBS in the month of such Distribution Date (the “Group 4 Principal Distribution Amount”), (v) the distribution of principal concurrently made on the Class 1991-107-S REMIC Certificate on such Distribution Date (the “Group 5 Principal Distribution Amount”) and (vi) the distribution of principal concurrently made on the Class 1997-28-PC REMIC Certificate (the “Group 6 Principal Distribution Amount”). The portion of each class of Underlying REMIC Certificates to be held in the Lower Tier REMIC is set forth on Exhibit A hereto.

On or about the fifth business day of each month, Fannie Mae will aggregate the amount of principal reported to be receivable on the GNMA Certificates during such month on the basis of published GNMA factors for such month. For any GNMA Certificate for which a factor is not

available at such time, Fannie Mae will calculate the amount of scheduled payments of principal distributable in respect of such GNMA Certificates during such month on the basis of the assumed amortization schedules of the related Mortgage Loans. The amortization schedules will be prepared on the assumptions that: (i) each of the Mortgage Loans underlying a single GNMA Certificate amortizes on a level installment basis, had an original term to maturity of 360 months, and has a remaining term to maturity equal to the remaining term to maturity of the latest maturing Mortgage Loan underlying such GNMA Certificate at the origination of such GNMA Certificate, adjusted to the Issue Date; and (ii) each Mortgage Loan underlying a GNMA Certificate bears an interest rate of 8.25% per annum. All such amounts, whether reported in GNMA factors or calculated by Fannie Mae, will be reflected in the REMIC Trust Factors for the Distribution Date in such month and will be distributed to Holders of Certificates of the Group 2 Classes on such Distribution Date, whether or not received. There will also be reflected in such REMIC Trust Factors and distributable as principal on such Distribution Date the excess of (a) the distributions of principal of the GNMA Certificates received during the month prior to the month of such Distribution Date over (b) the amount of principal calculated and distributable previously in accordance with the GNMA factors and the assumed distribution schedules specified above.

#### *Group 1 Principal Distribution Amount*

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

- (i) sequentially, to the PA, PD, PE, PG and PH Classes, in that order, until the principal balances thereof are reduced to their respective Planned Balances for such Distribution Date; } PAC Classes
- (ii) to the A Class, until the principal balance thereof is reduced to its Targeted Balance for such Distribution Date; } TAC Class
- (iii) concurrently, to the F and S Classes, in proportion to their original principal balances (or 77.777777778% and 22.222222222%, respectively), until the principal balances thereof are reduced to zero; } Support Classes
- (iv) to the A Class, without regard to its Targeted Balance and until the principal balance thereof is reduced to zero; } TAC Class
- (v) concurrently, to the FD and SD Classes, in proportion to their original principal balances (or 77.777761997% and 22.222238003%, respectively), until the respective principal balances thereof are reduced to zero; and } Support Classes
- (vi) sequentially, to the PA, PD, PE, PG and PH Classes, in that order, without regard to their Planned Balances and until the respective principal balances thereof are reduced to zero. } PAC Classes

#### *Group 2 Principal Distribution Amount*

On each Distribution Date, the Group 2 Principal Distribution Amount will be distributed, sequentially, as principal of the C, D and E Classes, in that order, until the respective principal balances thereof are reduced to zero. } Sequential Pay Classes

#### *Group 3 Principal Distribution Amount*

On each Distribution Date, the Group 3 Principal Distribution Amount will be distributed, sequentially, as principal of the G, H and J Classes, in that order, until the respective principal balances thereof are reduced to zero. } Sequential Pay Classes

#### *Group 4 Principal Distribution Amount*

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

- (i) commencing in November 2002, on each Distribution Date, the Priority Percentage (described below) of the Basic Principal Amount (described below) will be distributed, sequentially, as principal of the NA, NB and NC Classes, in that order, until the respective principal balances thereof are reduced to zero; and
- (ii) commencing in November 1997, on each Distribution Date, the excess of the Group 4 Principal Distribution Amount over the amount, if any, distributed pursuant to clause (i) above will be distributed, sequentially, as principal of the K, L, M, NA, NB and NC Classes, in that order, until the respective principal balances thereof are reduced to zero.

Sequential  
Pay  
Classes

The “Priority Percentage” for any Distribution Date will be calculated by dividing (x) the aggregate outstanding principal balance of the NA, NB and NC Classes by (y) the aggregate outstanding principal balance of all Group 4 Classes, in each case immediately prior to such Distribution Date.

The “Basic Principal Amount” for any Distribution Date is the sum of (i) the portion of the Group 4 Principal Distribution Amount consisting of scheduled payments of principal assumed to be received on the underlying Mortgage Loans during the calendar month prior to the month of such Distribution Date plus (ii) the Prepayment Percentage (described below) of the remaining portion of the Group 4 Principal Distribution Amount. For this purpose, the scheduled payments of principal assumed to be received on the underlying Mortgage Loans during any calendar month will be calculated by Fannie Mae on the basis of the interest rates and remaining terms to maturity of such Mortgage Loans. All such amounts calculated by Fannie Mae shall (in the absence of manifest error) be final and binding.

The “Prepayment Percentage” for any Distribution Date will be as specified below:

<u>Distribution Date</u>	<u>Prepayment Percentage</u>
November 1997 through October 2002 .....	0%
November 2002 through October 2003 .....	30%
November 2003 through October 2004 .....	40%
November 2004 through October 2005 .....	60%
November 2005 through October 2006 .....	80%
November 2006 and thereafter .....	100%

#### *Group 5 Principal Distribution Amount*

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

Structured  
Collateral/  
Pass-Through  
Class

#### *Group 6 Principal Distribution Amount*

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

Structured  
Collateral/  
Pass-Through  
Class

On any Distribution Date when distributions of principal are to be allocated from REMIC Certificates to RCR Certificates, such distributions will be allocated on a pro rata basis from the applicable Classes of REMIC Certificates to the related RCR 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 Certificates, the priority sequences affecting distributions on the Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Group 1 MBS, GNMA Certificates, Group 3 MBS and Group 4 MBS have the original terms to maturity, remaining terms to maturity or WARMS, CAGEs or WALAs, and interest rates as specified herein under “Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the Trust MBS and the GNMA Certificates”;
- all payments (including prepayments) on the Mortgage Loans underlying the GNMA Certificates, are distributed on the Certificates in the month in which such payments are received;
- 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 October 30, 1997.

*Prepayment Assumptions.* Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used herein 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 *constant* PSA rate or at any other *constant* rate.

*Structuring Range and Rate.* The Principal Balance Schedules have 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 or at the applicable rate set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Classes</u>	<u>Structuring Range and Rate</u>
Planned Balances	PA, PD, PE, PG and PH	Between 100% and 275%
Targeted Balance	A	105%

**There is no assurance that the balance of any Class 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 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 any such Class to its scheduled balance will be distributed or allocated, 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 on the related Mortgage Loans at rates falling within the Structuring Range specified above, principal distributions may be insufficient to reduce the applicable Classes to their scheduled balances if such prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans (which may include recently originated Mortgage Loans), the Classes specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the Structuring Range or at the applicable rate specified above.

*Initial Effective Ranges.* The Effective Range for a Class is the range of prepayment rates (measured by *constant* PSA rates) that would reduce such Class to its scheduled balance on each



Distribution Date. The Initial Effective Ranges set forth in the table below are based upon the assumed characteristics of the related Mortgage Loans specified in the Pricing Assumptions.

<u>Related Classes</u>	<u>Initial Effective Ranges</u>
PA	Between 100% and 314%
PD	Between 100% and 281%
PE	Between 100% and 275%
PG	Between 100% and 275%
PH	Between 81% and 275%

The actual Effective Ranges 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 Ranges calculated on the basis of the actual characteristics likely will differ from the Initial Effective Ranges. As a result, the applicable Classes might not be reduced to their scheduled balances even if prepayments were to occur at a *constant* PSA rate within the Initial Effective Ranges (particularly if such rate were at the lower or higher end of such ranges). In addition, even if prepayments occur at rates falling within the actual Effective Ranges, principal distributions may be insufficient to reduce the applicable Classes to their scheduled balances if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the related Mortgage Loans will prepay at any *constant* PSA rate. In general, the actual Effective Ranges may narrow, widen or shift upward or downward to reflect actual prepayment experience over time. The stability in principal payment of the PAC Classes will be supported in part by the Support and TAC Classes. When the Support and TAC Classes are retired, any outstanding PAC Classes 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 PJ, PK and CB Classes.*** The yields to investors in the PJ, PK and CB Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Mortgage Loans generally can be prepaid at any time. On the basis of the assumptions described below, the yield to maturity on the PJ, PK and CB Classes would be 0% if prepayments of the related Mortgage Loans were to occur at constant rates of approximately 464% PSA, 485% PSA and 460% PSA, respectively. If the actual prepayment rates of the related Mortgage Loans were to exceed the applicable levels for as little as one month while equaling such levels for the remaining months, the investors in the PJ, PK and CB Classes, as applicable, would not fully recoup their initial investments.

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

<u>Class</u>	<u>Price*</u>
PJ .....	21.50%
PK .....	43.75%
CB .....	27.50%

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

#### **Sensitivity of the PJ Class to Prepayments**

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>155%</u>	<u>275%</u>	<u>500%</u>
Pre-Tax Yields to Maturity .....	19.2%	10.1%	10.1%	10.1%	(3.1)%

#### **Sensitivity of the PK Class to Prepayments**

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>155%</u>	<u>275%</u>	<u>500%</u>
Pre-Tax Yields to Maturity .....	12.7%	9.6%	9.6%	9.6%	(0.8)%

#### **Sensitivity of the CB Class to Prepayments**

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
Pre-Tax Yields to Maturity .....	24.6%	16.2%	15.3%	14.9%	(4.2)%

*The Inverse Floating Rate Classes and the SE Class.* **The yields to investors in the Inverse Floating Rate Classes and the SE Class will be sensitive in varying degrees to the rate of principal payments (including prepayments) of the related Mortgage Loans 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 SB and SE Classes 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 such Index.

The information set forth in the following tables was prepared on the basis of the Pricing Assumptions and the assumptions that (i) the interest rates applicable to the Inverse Floating Rate Classes and the SE Class for the initial Interest Accrual Period are the actual and assumed rates appearing in the table under “Reference Sheet—Interest Rates” 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 such Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
S .....	97.00%
SD .....	83.00%
SB .....	59.50%
SE .....	128.50%

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

**Sensitivity of the 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>155%</u>	<u>275%</u>	<u>500%</u>
3.625% .....	17.8%	17.8%	19.6%	22.1%	25.9%
5.625% .....	10.3%	10.3%	12.3%	15.1%	19.2%
7.625% .....	2.9%	3.0%	5.2%	8.2%	12.7%
8.400% .....	0.1%	0.2%	2.5%	5.6%	10.2%

**Sensitivity of the SD 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>155%</u>	<u>275%</u>	<u>500%</u>
3.625% .....	19.5%	19.5%	19.6%	22.5%	27.3%
5.625% .....	10.7%	10.8%	11.0%	14.2%	19.0%
7.625% .....	2.5%	2.6%	2.8%	6.1%	11.0%
8.100% .....	0.7%	0.8%	1.0%	4.3%	9.2%

**Sensitivity of the SB Class to Prepayments and 7-Year Treasury Index  
(Pre-Tax Yields to Maturity)**

<u>7-Year Treasury Index</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
6.00% and below .....	28.8%	27.2%	22.0%	15.6%	0.7%
6.13% .....	28.0%	26.3%	21.1%	14.6%	(0.3)%
8.13% .....	14.0%	11.8%	6.0%	(0.5)%	(15.0)%
10.13% .....	(3.7)%	(6.4)%	(12.4)%	(18.8)%	(32.4)%
11.00% and above .....	*	*	*	*	*

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

**Sensitivity of the SE Class to Prepayments and 7-Year Treasury Index  
(Pre-Tax Yields to Maturity)**

<u>7-Year Treasury Index</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
6.00% and below .....	12.9%	12.5%	11.4%	10.2%	7.5%
6.13% .....	12.5%	12.1%	11.0%	9.8%	7.1%
8.13% .....	6.7%	6.3%	5.3%	4.2%	1.6%
10.13% .....	0.9%	0.5%	(0.4)%	(1.4)%	(3.9)%
11.00% and above .....	(1.7)%	(2.0)%	(2.8)%	(3.8)%	(6.3)%

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

***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>
PO .....	69.0%

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

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
PO .....	2.7%	3.3%	4.9%	6.9%	11.8%

**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, Group 2, Group 3 and Group 4 Classes and, in the case of the Group 5, and Group 6 Classes, the priority sequences of principal distributions of the related Underlying REMIC Certificates. 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 and “Description of the Certificates—Distributions of Principal” in the Underlying REMIC Disclosure Documents.

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 rates 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 Assets Specified Below</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	9.5%	Group 1
GNMA Certificates	360 months	360 months	9.0%	Group 2
Group 3 MBS	360 months	360 months	9.0%	Group 3
Group 4 MBS	360 months	360 months	9.0%	Group 4
1991-107	360 months	286 months	12.0%	Group 5
1997-28	360 months	354 months	10.0%	Group 6

It is not likely that (i) all of the underlying Mortgage Loans will have the interest rates, CAGEs or WALAs 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 rates, even if the distributions of the weighted average remaining terms to maturity and the weighted average CAGEs or WALAs of the Mortgage Loans are identical to the distributions of the remaining terms to maturity and CAGEs or WALAs specified in the Pricing Assumptions.

## Percent of Original Principal Balances Outstanding

Date	PA Class					PD Class					PE Class					PG Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	155%	275%	500%	0%	100%	155%	275%	500%	0%	100%	155%	275%	500%	0%	100%	155%	275%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 1998	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 1999	100	97	97	97	97	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2000	96	63	63	63	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2001	92	32	32	32	0	100	100	100	100	23	100	100	100	100	100	100	100	100	100	100
October 2002	87	2	2	2	0	100	100	100	100	0	100	100	100	100	22	100	100	100	100	100
October 2003	82	0	0	0	0	100	48	48	48	0	100	100	100	100	0	100	100	100	100	60
October 2004	76	0	0	0	0	100	0	0	0	0	100	96	96	96	0	100	100	100	100	20
October 2005	70	0	0	0	0	100	0	0	0	0	100	48	48	48	0	100	100	100	100	0
October 2006	63	0	0	0	0	100	0	0	0	0	100	3	3	3	0	100	100	100	100	0
October 2007	55	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	72	72	72	0
October 2008	47	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	46	46	46	0
October 2009	38	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	25	25	25	0
October 2010	28	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	7	7	7	0
October 2011	17	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
October 2012	5	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
October 2013	0	0	0	0	0	83	0	0	0	0	100	0	0	0	0	100	0	0	0	0
October 2014	0	0	0	0	0	55	0	0	0	0	100	0	0	0	0	100	0	0	0	0
October 2015	0	0	0	0	0	23	0	0	0	0	100	0	0	0	0	100	0	0	0	0
October 2016	0	0	0	0	0	0	0	0	0	0	89	0	0	0	0	100	0	0	0	0
October 2017	0	0	0	0	0	0	0	0	0	0	52	0	0	0	0	100	0	0	0	0
October 2018	0	0	0	0	0	0	0	0	0	0	11	0	0	0	0	100	0	0	0	0
October 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	72	0	0	0	0
October 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	31	0	0	0	0
October 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 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)**	10.0	3.4	3.4	3.4	2.8	17.1	6.0	6.0	6.0	3.8	20.0	8.0	8.0	8.0	4.7	22.5	11.0	11.0	11.0	6.3

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

Date	PH Class					PJ† Class					PK† Class					A Class					
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					
	0%	100%	155%	275%	500%	0%	100%	155%	275%	500%	0%	100%	155%	275%	500%	0%	100%	105%	155%	275%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 1998	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	97	85	85	85	85	64
October 1999	100	100	100	100	100	100	98	98	98	98	100	100	100	100	100	94	61	60	60	28	0
October 2000	100	100	100	100	100	96	69	69	69	46	100	100	100	100	100	94	61	59	51	0	0
October 2001	100	100	100	100	100	93	42	42	42	3	100	100	100	100	81	94	61	58	41	0	0
October 2002	100	100	100	100	100	89	16	16	16	0	100	100	100	100	56	94	61	57	32	0	0
October 2003	100	100	100	100	100	84	7	7	7	0	100	87	87	87	39	94	61	56	26	0	0
October 2004	100	100	100	100	100	79	0	0	0	0	100	75	75	75	27	94	61	56	21	0	0
October 2005	100	100	100	100	90	74	0	0	0	0	100	63	63	63	18	94	61	55	17	0	0
October 2006	100	100	100	100	61	68	0	0	0	0	100	51	51	51	13	94	61	54	15	0	0
October 2007	100	100	100	100	42	62	0	0	0	0	100	42	42	42	9	94	59	52	11	0	0
October 2008	100	100	100	100	29	55	0	0	0	0	100	34	34	34	6	94	54	47	7	0	0
October 2009	100	100	100	100	20	47	0	0	0	0	100	28	28	28	4	94	48	41	1	0	0
October 2010	100	100	100	100	13	38	0	0	0	0	100	23	23	23	3	94	41	34	0	0	0
October 2011	100	89	89	89	9	29	0	0	0	0	100	18	18	18	2	94	33	26	0	0	0
October 2012	100	72	72	72	6	19	0	0	0	0	100	15	15	15	1	94	24	17	0	0	0
October 2013	100	58	58	58	4	12	0	0	0	0	96	12	12	12	1	94	15	8	0	0	0
October 2014	100	46	46	46	3	8	0	0	0	0	89	9	9	9	1	94	5	0	0	0	0
October 2015	100	37	37	37	2	3	0	0	0	0	81	7	7	7	*	94	0	0	0	0	0
October 2016	100	29	29	29	1	0	0	0	0	0	73	6	6	6	*	94	0	0	0	0	0
October 2017	100	23	23	23	1	0	0	0	0	0	63	5	5	5	*	94	0	0	0	0	0
October 2018	100	17	17	17	1	0	0	0	0	0	53	4	4	4	*	94	0	0	0	0	0
October 2019	100	13	13	13	*	0	0	0	0	0	42	3	3	3	*	94	0	0	0	0	0
October 2020	100	10	10	10	*	0	0	0	0	0	30	2	2	2	*	94	0	0	0	0	0
October 2021	79	7	7	7	*	0	0	0	0	0	16	1	1	1	*	94	0	0	0	0	0
October 2022	6	5	5	5	*	0	0	0	0	0	1	1	1	1	*	94	0	0	0	0	0
October 2023	4	4	4	4	*	0	0	0	0	0	1	1	1	1	*	63	0	0	0	0	0
October 2024	2	2	2	2	*	0	0	0	0	0	*	*	*	*	*	28	0	0	0	0	0
October 2025	1	1	1	1	*	0	0	0	0	0	*	*	*	*	*	0	0	0	0	0	0
October 2026	*	*	*	*	*	0	0	0	0	0	*	*	*	*	*	0	0	0	0	0	0
October 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	24.5	17.7	17.7	17.7	10.3	11.1	3.8	3.8	3.8	3.0	21.0	10.4	10.4	10.4	6.1	24.9	9.1	8.1	4.2	1.6	1.1

Date	F and S Classes					FD, SD and B Classes					C Class					D Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	155%	275%	500%	0%	100%	155%	275%	500%	0%	100%	150%	300%	500%	0%	100%	150%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 1998	100	100	74	11	0	100	100	100	100	100	93	76	68	44	13	100	100	100	100	100
October 1999	100	100	22	0	0	100	100	100	100	56	85	27	0	0	0	100	100	100	87	70
October 2000	100	100	0	0	0	100	100	100	89	0	76	0	0	0	0	100	94	85	60	32
October 2001	100	100	0	0	0	100	100	100	55	0	67	0	0	0	0	100	83	71	38	4
October 2002	100	100	0	0	0	100	100	100	30	0	57	0	0	0	0	100	73	58	20	0
October 2003	100	100	0	0	0	100	100	100	14	0	45	0	0	0	0	100	64	46	5	0
October 2004	100	100	0	0	0	100	100	100	5	0	33	0	0	0	0	100	55	35	0	0
October 2005	100	100	0	0	0	100	100	100	1	0	20	0	0	0	0	100	46	26	0	0
October 2006	100	100	0	0	0	100	100	100	*	0	5	0	0	0	0	100	39	17	0	0
October 2007	100	100	0	0	0	100	100	100	*	0	0	0	0	0	0	98	31	9	0	0
October 2008	100	100	0	0	0	100	100	100	*	0	0	0	0	0	0	95	24	2	0	0
October 2009	100	100	0	0	0	100	100	100	*	0	0	0	0	0	0	92	17	0	0	0
October 2010	100	100	0	0	0	100	100	94	*	0	0	0	0	0	0	89	11	0	0	0
October 2011	100	100	0	0	0	100	100	87	*	0	0	0	0	0	0	85	5	0	0	0
October 2012	100	100	0	0	0	100	100	79	*	0	0	0	0	0	0	81	0	0	0	0
October 2013	100	100	0	0	0	100	100	71	*	0	0	0	0	0	0	76	0	0	0	0
October 2014	100	100	0	0	0	100	100	64	*	0	0	0	0	0	0	71	0	0	0	0
October 2015	100	79	0	0	0	100	100	57	*	0	0	0	0	0	0	66	0	0	0	0
October 2016	100	31	0	0	0	100	100	50	*	0	0	0	0	0	0	60	0	0	0	0
October 2017	100	0	0	0	0	100	96	43	*	0	0	0	0	0	0	53	0	0	0	0
October 2018	100	0	0	0	0	100	85	37	*	0	0	0	0	0	0	46	0	0	0	0
October 2019	100	0	0	0	0	100	74	31	*	0	0	0	0	0	0	38	0	0	0	0
October 2020	100	0	0	0	0	100	63	26	*	0	0	0	0	0	0	30	0	0	0	0
October 2021	100	0	0	0	0	100	52	21	*	0	0	0	0	0	0	20	0	0	0	0
October 2022	100	0	0	0	0	100	42	16	*	0	0	0	0	0	0	10	0	0	0	0
October 2023	100	0	0	0	0	100	32	12	*	0	0	0	0	0	0	0	0	0	0	0
October 2024	100	0	0	0	0	100	23	8	*	0	0	0	0	0	0	0	0	0	0	0
October 2025	45	0	0	0	0	100	14	5	*	0	0	0	0	0	0	0	0	0	0	0
October 2026	0	0	0	0	0	58	5	2	*	0	0	0	0	0	0	0	0	0	0	0
October 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)**	28.0	18.6	1.4	0.6	0.4	29.1	24.4	19.5	4.4	2.1	5.3	1.5	1.3	0.9	0.7	19.6	7.9	6.0	3.6	2.6

\* 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	E Class					G Class					H Class					J Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	150%	300%	500%	0%	100%	145%	300%	500%	0%	100%	145%	300%	500%	0%	100%	145%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 1998	100	100	100	100	100	99	91	87	75	60	100	100	100	100	100	100	100	100	100	100
October 1999	100	100	100	100	100	98	81	75	53	29	100	100	100	100	100	100	100	100	100	100
October 2000	100	100	100	100	100	97	72	63	36	8	100	100	100	100	100	100	100	100	100	100
October 2001	100	100	100	100	100	96	64	53	21	0	100	100	100	100	41	100	100	100	100	100
October 2002	100	100	100	100	74	94	56	44	10	0	100	100	100	100	0	100	100	100	100	80
October 2003	100	100	100	100	51	93	49	35	*	0	100	100	100	100	0	100	100	100	100	55
October 2004	100	100	100	88	36	91	42	27	0	0	100	100	100	33	0	100	100	100	100	38
October 2005	100	100	100	71	24	89	36	20	0	0	100	100	100	0	0	100	100	100	91	26
October 2006	100	100	100	57	17	87	29	14	0	0	100	100	100	0	0	100	100	100	73	18
October 2007	100	100	100	46	12	85	24	8	0	0	100	100	100	0	0	100	100	100	58	12
October 2008	100	100	100	37	8	83	18	3	0	0	100	100	100	0	0	100	100	100	46	8
October 2009	100	100	92	30	5	80	13	0	0	0	100	100	80	0	0	100	100	100	37	6
October 2010	100	100	81	24	4	78	8	0	0	0	100	100	41	0	0	100	100	100	29	4
October 2011	100	100	72	19	3	75	4	0	0	0	100	100	5	0	0	100	100	100	23	3
October 2012	100	99	63	15	2	71	0	0	0	0	100	94	0	0	0	100	100	89	18	2
October 2013	100	90	56	12	1	68	0	0	0	0	100	58	0	0	0	100	100	77	14	1
October 2014	100	81	48	9	1	64	0	0	0	0	100	23	0	0	0	100	100	67	11	1
October 2015	100	73	42	7	1	59	0	0	0	0	100	0	0	0	0	100	96	57	8	*
October 2016	100	65	36	6	*	55	0	0	0	0	100	0	0	0	0	100	84	48	6	*
October 2017	100	57	31	4	*	49	0	0	0	0	100	0	0	0	0	100	72	40	5	*
October 2018	100	50	26	3	*	44	0	0	0	0	100	0	0	0	0	100	61	33	4	*
October 2019	100	43	22	3	*	37	0	0	0	0	100	0	0	0	0	100	51	27	3	*
October 2020	100	37	18	2	*	31	0	0	0	0	100	0	0	0	0	100	41	21	2	*
October 2021	100	31	15	1	*	23	0	0	0	0	100	0	0	0	0	100	32	16	1	*
October 2022	100	25	11	1	*	15	0	0	0	0	100	0	0	0	0	100	23	11	1	*
October 2023	98	19	9	1	*	6	0	0	0	0	100	0	0	0	0	100	15	7	*	*
October 2024	77	14	6	*	*	0	0	0	0	0	66	0	0	0	0	100	7	3	*	*
October 2025	53	9	4	*	*	0	0	0	0	0	0	0	0	0	0	88	0	0	0	0
October 2026	28	4	2	*	*	0	0	0	0	0	0	0	0	0	0	46	0	0	0	0
October 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)**	28.1	21.5	17.9	10.9	6.9	18.2	6.4	4.8	2.4	1.4	27.2	16.2	12.8	6.8	3.9	28.9	22.3	19.5	11.8	7.1

Date	K Class					L Class					M Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	325%	450%	650%	0%	100%	325%	450%	650%	0%	100%	325%	450%	650%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 1998	91	61	0	0	0	100	100	100	96	90	100	100	100	100	100
October 1999	82	0	0	0	0	100	99	80	70	54	100	100	100	100	100
October 2000	71	0	0	0	0	100	90	58	42	21	100	100	100	100	100
October 2001	59	0	0	0	0	100	81	40	22	1	100	100	100	100	100
October 2002	47	0	0	0	0	100	73	25	8	0	100	100	100	100	0
October 2003	35	0	0	0	0	100	66	16	0	0	100	100	100	91	0
October 2004	22	0	0	0	0	100	60	8	0	0	100	100	100	33	0
October 2005	8	0	0	0	0	100	54	4	0	0	100	100	100	5	0
October 2006	0	0	0	0	0	99	49	*	0	0	100	100	100	0	0
October 2007	0	0	0	0	0	97	45	0	0	0	100	100	83	0	0
October 2008	0	0	0	0	0	95	40	0	0	0	100	100	65	0	0
October 2009	0	0	0	0	0	93	36	0	0	0	100	100	51	0	0
October 2010	0	0	0	0	0	91	32	0	0	0	100	100	40	0	0
October 2011	0	0	0	0	0	88	29	0	0	0	100	100	31	0	0
October 2012	0	0	0	0	0	85	25	0	0	0	100	100	24	0	0
October 2013	0	0	0	0	0	82	22	0	0	0	100	100	19	0	0
October 2014	0	0	0	0	0	79	19	0	0	0	100	100	14	0	0
October 2015	0	0	0	0	0	75	16	0	0	0	100	100	11	0	0
October 2016	0	0	0	0	0	71	13	0	0	0	100	100	8	0	0
October 2017	0	0	0	0	0	67	11	0	0	0	100	100	6	0	0
October 2018	0	0	0	0	0	62	8	0	0	0	100	100	5	0	0
October 2019	0	0	0	0	0	56	6	0	0	0	100	100	3	0	0
October 2020	0	0	0	0	0	51	3	0	0	0	100	100	3	0	0
October 2021	0	0	0	0	0	44	1	0	0	0	100	100	2	0	0
October 2022	0	0	0	0	0	37	0	0	0	0	100	93	1	0	0
October 2023	0	0	0	0	0	30	0	0	0	0	100	71	1	0	0
October 2024	0	0	0	0	0	21	0	0	0	0	100	50	*	0	0
October 2025	0	0	0	0	0	12	0	0	0	0	100	31	*	0	0
October 2026	0	0	0	0	0	2	0	0	0	0	100	12	*	0	0
October 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	4.7	1.1	0.6	0.5	0.4	21.9	10.3	3.8	2.9	2.2	29.6	27.1	13.2	6.8	4.4

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

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

Date	NA Class					NB Class					NC Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	325%	450%	650%	0%	100%	325%	450%	650%	0%	100%	325%	450%	650%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 1998 .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 1999 .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2000 .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2001 .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2002 .....	100	100	100	100	62	100	100	100	100	100	100	100	100	100	100
October 2003 .....	97	90	77	69	0	100	100	100	100	36	100	100	100	100	100
October 2004 .....	93	79	50	34	0	100	100	100	100	0	100	100	100	100	71
October 2005 .....	89	64	16	0	0	100	100	100	86	0	100	100	100	100	42
October 2006 .....	85	46	0	0	0	100	100	67	11	0	100	100	100	100	25
October 2007 .....	80	27	0	0	0	100	100	10	0	0	100	100	100	75	15
October 2008 .....	75	8	0	0	0	100	100	0	0	0	100	100	83	54	9
October 2009 .....	69	0	0	0	0	100	86	0	0	0	100	100	65	38	5
October 2010 .....	63	0	0	0	0	100	61	0	0	0	100	100	51	27	3
October 2011 .....	56	0	0	0	0	100	38	0	0	0	100	100	40	19	2
October 2012 .....	48	0	0	0	0	100	16	0	0	0	100	100	31	14	1
October 2013 .....	40	0	0	0	0	100	0	0	0	0	100	97	24	9	1
October 2014 .....	31	0	0	0	0	100	0	0	0	0	100	88	18	7	*
October 2015 .....	21	0	0	0	0	100	0	0	0	0	100	78	14	5	*
October 2016 .....	10	0	0	0	0	100	0	0	0	0	100	69	11	3	*
October 2017 .....	0	0	0	0	0	98	0	0	0	0	100	61	8	2	*
October 2018 .....	0	0	0	0	0	79	0	0	0	0	100	53	6	1	*
October 2019 .....	0	0	0	0	0	58	0	0	0	0	100	46	4	1	*
October 2020 .....	0	0	0	0	0	35	0	0	0	0	100	39	3	1	*
October 2021 .....	0	0	0	0	0	10	0	0	0	0	100	32	2	*	*
October 2022 .....	0	0	0	0	0	0	0	0	0	0	91	26	2	*	*
October 2023 .....	0	0	0	0	0	0	0	0	0	0	76	20	1	*	*
October 2024 .....	0	0	0	0	0	0	0	0	0	0	59	14	1	*	*
October 2025 .....	0	0	0	0	0	0	0	0	0	0	41	8	*	*	*
October 2026 .....	0	0	0	0	0	0	0	0	0	0	22	3	*	*	*
October 2027 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	14.1	8.6	6.9	6.5	5.1	22.3	13.5	9.3	8.5	5.9	27.4	21.9	14.1	12.1	8.3

Date	PO, SB† and SE Classes					CA and CB† Classes					N Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	200%	300%	500%	0%	100%	200%	300%	500%	0%	100%	325%	450%	650%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 1998 .....	100	100	100	100	97	100	100	100	100	100	100	100	100	100	100
October 1999 .....	99	99	99	91	67	100	100	100	100	100	100	100	100	100	100
October 2000 .....	99	99	91	73	46	100	100	100	100	93	100	100	100	100	100
October 2001 .....	99	99	78	59	31	100	100	100	100	*	100	100	100	100	100
October 2002 .....	98	93	67	47	21	100	74	67	67	0	100	100	100	100	87
October 2003 .....	98	85	57	38	15	100	36	30	22	0	99	97	92	90	52
October 2004 .....	98	78	49	30	10	100	1	0	0	0	98	93	83	78	31
October 2005 .....	98	70	42	24	7	100	0	0	0	0	96	88	72	63	19
October 2006 .....	97	63	35	19	4	100	0	0	0	0	95	82	59	47	11
October 2007 .....	97	57	29	15	3	100	0	0	0	0	93	76	47	34	7
October 2008 .....	97	51	25	11	2	100	0	0	0	0	92	69	37	24	4
October 2009 .....	96	45	20	9	1	100	0	0	0	0	90	64	29	17	2
October 2010 .....	96	39	17	7	1	100	0	0	0	0	88	58	23	12	1
October 2011 .....	96	34	13	5	1	100	0	0	0	0	85	53	18	9	1
October 2012 .....	95	29	11	4	*	100	0	0	0	0	83	48	14	6	*
October 2013 .....	90	24	8	3	*	100	0	0	0	0	80	43	11	4	*
October 2014 .....	83	19	6	2	*	94	0	0	0	0	77	39	8	3	*
October 2015 .....	75	15	5	1	*	72	0	0	0	0	74	35	6	2	*
October 2016 .....	65	11	3	1	*	47	0	0	0	0	70	31	5	1	*
October 2017 .....	55	8	2	1	*	19	0	0	0	0	66	27	4	1	*
October 2018 .....	43	5	1	*	*	0	0	0	0	0	62	24	3	1	*
October 2019 .....	29	2	*	*	*	0	0	0	0	0	57	20	2	*	*
October 2020 .....	14	*	*	*	*	0	0	0	0	0	52	17	1	*	*
October 2021 .....	0	0	0	0	0	0	0	0	0	0	47	14	1	*	*
October 2022 .....	0	0	0	0	0	0	0	0	0	0	40	11	1	*	*
October 2023 .....	0	0	0	0	0	0	0	0	0	0	34	9	*	*	*
October 2024 .....	0	0	0	0	0	0	0	0	0	0	26	6	*	*	*
October 2025 .....	0	0	0	0	0	0	0	0	0	0	18	4	*	*	*
October 2026 .....	0	0	0	0	0	0	0	0	0	0	10	1	*	*	*
October 2027 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	19.7	11.8	8.1	5.9	3.6	18.8	5.7	5.5	5.4	3.4	21.8	15.6	10.6	9.4	6.7

\* 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.

## **Characteristics of the R and RL Classes**

The R and RL Classes will not have 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 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 REMIC Certificates and any related RCR 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 Principal Only Class and the SD Class will be, and certain other Classes of REMIC 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 155% PSA in the case of the Group 1 Classes, 150% PSA in the case of the Group 2 Classes, 145% PSA in the case of the Group 3 Classes, 325% PSA in the case of the Group 4 Classes and 200% PSA in the case of the Group 5 and Group 6 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 or the GNMA Certificates will prepay at any of those rates or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the REMIC Prospectus. In addition, certain Classes of REMIC 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.

The Taxpayer Relief Act of 1997 adds provisions to the Code that require the recognition of gain upon the “constructive sale of an appreciated financial position.” A constructive sale of an appreciated financial position occurs if a taxpayer enters into certain transactions or series of such transactions with respect to a financial instrument that have the effect of substantially eliminating the taxpayer’s risk of loss and opportunity for gain with respect to the financial instrument. These provisions do not apply to Classes of Certificates other than the Notional Classes.

### **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 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 (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 7.80% (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.

Fannie Mae intends to determine the accruals of OID on the Underlying REMIC Certificates using the same Prepayment Assumptions, 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 Certificates is the Prepayment Assumption set forth in the related Underlying REMIC Disclosure Documents. 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.

The Taxpayer Relief Act of 1997 adds provisions to the Code that will apply to an “electing large partnership.” If an electing large partnership holds an R or RL Certificate, all interests in the electing large partnership are treated as held by disqualified organizations for purposes of the tax imposed upon a pass-through entity by section 860E(e) of the Code. An exception to this tax, otherwise available to a pass-through entity that is furnished certain affidavits by record holders of interests in the entity and that does not know such affidavits are false, is not available to an electing large partnership.

### **Taxation of Beneficial Owners of RCR Certificates**

*General.* The arrangement pursuant to which the RCR Classes will be created, sold and administered will be classified as a grantor trust under subpart E, Part I of subchapter J of the Code. The interests in the REMIC Certificates that have been exchanged for RCR Certificates (including any exchanges effective on the Settlement Date) will be the assets of such trust and the RCR Certificates will evidence an ownership interest in those REMIC Certificates. For a general discussion of the federal income tax treatment of investors in REMIC Certificates, see “Certain Federal Income Tax Consequences” in the REMIC Prospectus.

The RCR Classes will represent beneficial ownership of the underlying Regular Certificates set forth in Schedule 1. The RCR Certificates (the “Combination RCR Certificates”) will represent beneficial ownership of undivided interests in two or more underlying Regular Certificates.

*Combination RCR Classes.* A beneficial owner of a Combination RCR Certificate will be treated as the beneficial owner of a proportionate interest in the related Class or Classes of REMIC Certificates. A purchaser of a Combination RCR Certificate must allocate its purchase price among the related Classes of REMIC Certificates in proportion to their relative fair market values at the time of purchase. Such owner should account for its ownership interest in each related Class of REMIC Certificates as described under “—Taxation of Beneficial Owners of Regular Certificates” herein and “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates” in the REMIC Prospectus. When a beneficial owner sells a Combination RCR Certificate, such owner must allocate the sale proceeds among the related Classes of REMIC Certificates in proportion to their relative fair market values at the time of sale.

*Exchanges.* An exchange, as described under “Description of the Certificates—Combination and Recombination” herein, by a beneficial owner of (i) a combination of REMIC Certificates or (ii) all or a portion of an RCR Class for the related RCR Class or REMIC Certificates, respectively, will not be a taxable exchange. Such owner will be treated as continuing to own after the exchange the same combination of interests in the related REMIC Certificates that it owned immediately prior to the exchange.

### **PLAN OF DISTRIBUTION**

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

*Increase in Certificates.* Before the Settlement Date, Fannie Mae and the Dealer may agree to offer hereby Group 1, Group 2, Group 3 or Group 4 Classes in addition to those contemplated as of the date hereof. In such event, the related Trust MBS or GNMA Certificates, as applicable, will be increased in principal balance, but it is expected that all such additional Trust MBS or GNMA Certificates, as applicable, will have the same characteristics as described herein under “Description of the Certificates—The Trust MBS” and “—The GNMA Certificates,” as applicable. The proportion that the original principal balance of each Group 1, Group 2, Group 3 or Group 4 Class bears to the

aggregate original principal balance of all Group 1, Group 2, Group 3 or Group 4 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 applicable Classes.

#### **LEGAL MATTERS**

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



Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type (1)	Final Distribution Date	Principal Type (1)	Original Principal Balance of Class	October 1997 Class Factor	Principal Balance in the Lower Tier REMIC	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average CAGE (in months)	Underlying Security Type	Class Group
1991-107	S	August 1991	31358HY66	(2)	INV	August 2021	SEQ	\$ 7,500,000	0.99050000	\$ 5,407,546	10.083	256	94	MBS	5
1997-28	PC	April 1997	31359PCZ7	7.375%	FIX	March 2022	PAC	41,341,000	1.00000000	38,841,000	8.099	349	9	MBS	6

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

# Schedule 1

## Available Recombinations (1)

REMIC Certificates		RCR Certificates						
<u>Class</u>	<u>Original Principal or Notional Principal Balance</u>	<u>RCR Class</u>	<u>Original Principal Balance</u>	<u>Interest Rate</u>	<u>Interest Type (2)</u>	<u>Principal Type (2)</u>	<u>CUSIP Number</u>	<u>Final Distribution Date</u>
Recombination 1								
FD	\$38,332,777	B	\$49,285,000	7.0%	FIX	SUP	31359QX82	November 2027
SD	10,952,223							
Recombination 2								
PO	5,407,546	SE	5,407,546	(3)	INV	SC/PT	31359QX90	August 2021
SB	5,407,546							
Recombination 3								
NA	15,000,000	N	45,000,000	6.5	FIX	SEQ	31359QX74	November 2027
NB	10,000,000							
NC	20,000,000							

- (1) The principal balances and/or notional principal balances of the REMIC Certificates and RCR Certificates involved in any exchange will bear the same relationship as that borne by the original principal balances and/or original notional principal balances of the related Classes.
- (2) 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.
- (3) For a description of this interest rate, see “Description of the Certificates—Distribution of Interest” herein.

## Principal Balance Schedules

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>PH Class Planned Balance</u>	<u>A Class Targeted Balance</u>
Initial Balance . . . . .	\$57,375,000.00	\$29,514,000.00	\$29,954,000.00	\$36,266,000.00	\$24,577,000.00	\$61,023,000.00
November 1997 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	60,528,875.95
December 1997 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	59,981,016.77
January 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	59,379,595.41
February 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	58,724,813.96
March 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	58,016,903.61
April 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	57,256,124.51
May 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	56,442,765.67
June 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	55,577,144.81
July 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	54,659,608.18
August 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	53,690,530.35
September 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	52,670,313.98
October 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	51,599,389.59
November 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	50,478,215.26
December 1998 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	49,307,276.32
January 1999 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	48,087,085.04
February 1999 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	46,818,180.23
March 1999 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	45,501,126.93
April 1999 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	44,136,515.94
May 1999 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	42,724,963.41
June 1999 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	41,267,110.43
July 1999 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	39,763,622.47
August 1999 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	38,215,188.97
September 1999 . . . . .	57,375,000.00	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,622,522.76
October 1999 . . . . .	55,801,652.09	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,559,707.44
November 1999 . . . . .	54,187,180.25	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,495,277.05
December 1999 . . . . .	52,532,299.54	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,429,296.27
January 2000 . . . . .	50,885,661.90	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,364,178.09
February 2000 . . . . .	49,247,224.65	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,299,915.79
March 2000 . . . . .	47,616,945.34	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,236,502.70
April 2000 . . . . .	45,994,781.71	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,173,932.19
May 2000 . . . . .	44,380,691.75	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,112,197.69
June 2000 . . . . .	42,774,633.62	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	36,051,292.64
July 2000 . . . . .	41,176,565.75	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,991,210.58
August 2000 . . . . .	39,586,446.74	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,931,945.05
September 2000 . . . . .	38,004,235.42	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,873,489.67
October 2000 . . . . .	36,429,890.83	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,815,838.08
November 2000 . . . . .	34,863,372.23	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,758,983.98
December 2000 . . . . .	33,304,639.07	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,702,921.11
January 2001 . . . . .	31,753,651.02	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,647,643.25
February 2001 . . . . .	30,210,367.96	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,593,144.24
March 2001 . . . . .	28,674,749.97	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,539,417.96
April 2001 . . . . .	27,146,757.32	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,486,458.31
May 2001 . . . . .	25,626,350.53	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,434,259.26
June 2001 . . . . .	24,113,490.26	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,382,814.82
July 2001 . . . . .	22,608,137.43	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,332,119.04
August 2001 . . . . .	21,110,253.13	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,282,166.00
September 2001 . . . . .	19,619,798.64	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,232,949.84
October 2001 . . . . .	18,136,735.47	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,184,464.73
November 2001 . . . . .	16,661,025.31	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,136,704.90
December 2001 . . . . .	15,192,630.04	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,089,664.60
January 2002 . . . . .	13,731,511.76	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	35,043,338.14

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>PH Class Planned Balance</u>	<u>A Class Targeted Balance</u>
February 2002 .....	\$12,277,632.73	\$29,514,000.00	\$29,954,000.00	\$36,266,000.00	\$24,577,000.00	\$34,997,719.84
March 2002 .....	10,830,955.43	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	34,952,804.11
April 2002 .....	9,391,442.53	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	34,908,585.35
May 2002 .....	7,959,056.89	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	34,865,058.04
June 2002 .....	6,533,761.54	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	34,822,216.67
July 2002 .....	5,115,519.73	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	34,780,055.79
August 2002 .....	3,704,294.89	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	34,738,569.98
September 2002 .....	2,300,050.62	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	34,697,753.86
October 2002 .....	902,750.74	29,514,000.00	29,954,000.00	36,266,000.00	24,577,000.00	34,657,602.09
November 2002 .....	0.00	29,026,359.21	29,954,000.00	36,266,000.00	24,577,000.00	34,618,109.37
December 2002 .....	0.00	27,642,840.23	29,954,000.00	36,266,000.00	24,577,000.00	34,579,270.45
January 2003 .....	0.00	26,266,158.13	29,954,000.00	36,266,000.00	24,577,000.00	34,541,080.08
February 2003 .....	0.00	24,896,277.47	29,954,000.00	36,266,000.00	24,577,000.00	34,503,533.09
March 2003 .....	0.00	23,533,162.96	29,954,000.00	36,266,000.00	24,577,000.00	34,466,624.33
April 2003 .....	0.00	22,176,779.50	29,954,000.00	36,266,000.00	24,577,000.00	34,430,348.69
May 2003 .....	0.00	20,827,092.17	29,954,000.00	36,266,000.00	24,577,000.00	34,394,701.09
June 2003 .....	0.00	19,484,066.24	29,954,000.00	36,266,000.00	24,577,000.00	34,359,676.49
July 2003 .....	0.00	18,147,667.15	29,954,000.00	36,266,000.00	24,577,000.00	34,325,269.90
August 2003 .....	0.00	16,817,860.50	29,954,000.00	36,266,000.00	24,577,000.00	34,291,476.34
September 2003 .....	0.00	15,494,612.10	29,954,000.00	36,266,000.00	24,577,000.00	34,258,290.90
October 2003 .....	0.00	14,177,887.91	29,954,000.00	36,266,000.00	24,577,000.00	34,225,708.67
November 2003 .....	0.00	12,867,654.08	29,954,000.00	36,266,000.00	24,577,000.00	34,193,724.80
December 2003 .....	0.00	11,563,876.93	29,954,000.00	36,266,000.00	24,577,000.00	34,162,334.48
January 2004 .....	0.00	10,266,522.94	29,954,000.00	36,266,000.00	24,577,000.00	34,131,532.90
February 2004 .....	0.00	8,975,558.77	29,954,000.00	36,266,000.00	24,577,000.00	34,101,315.33
March 2004 .....	0.00	7,690,951.27	29,954,000.00	36,266,000.00	24,577,000.00	34,071,677.04
April 2004 .....	0.00	6,412,667.43	29,954,000.00	36,266,000.00	24,577,000.00	34,042,613.36
May 2004 .....	0.00	5,140,674.42	29,954,000.00	36,266,000.00	24,577,000.00	34,014,119.63
June 2004 .....	0.00	3,874,939.60	29,954,000.00	36,266,000.00	24,577,000.00	33,986,191.24
July 2004 .....	0.00	2,615,430.46	29,954,000.00	36,266,000.00	24,577,000.00	33,958,823.61
August 2004 .....	0.00	1,362,114.68	29,954,000.00	36,266,000.00	24,577,000.00	33,932,012.20
September 2004 .....	0.00	114,960.12	29,954,000.00	36,266,000.00	24,577,000.00	33,905,752.49
October 2004 .....	0.00	0.00	28,827,934.76	36,266,000.00	24,577,000.00	33,880,040.01
November 2004 .....	0.00	0.00	27,593,006.79	36,266,000.00	24,577,000.00	33,854,870.29
December 2004 .....	0.00	0.00	26,364,144.53	36,266,000.00	24,577,000.00	33,830,238.94
January 2005 .....	0.00	0.00	25,141,316.49	36,266,000.00	24,577,000.00	33,806,141.57
February 2005 .....	0.00	0.00	23,924,491.33	36,266,000.00	24,577,000.00	33,782,573.82
March 2005 .....	0.00	0.00	22,713,637.85	36,266,000.00	24,577,000.00	33,759,531.39
April 2005 .....	0.00	0.00	21,508,725.05	36,266,000.00	24,577,000.00	33,737,009.98
May 2005 .....	0.00	0.00	20,309,722.06	36,266,000.00	24,577,000.00	33,715,005.34
June 2005 .....	0.00	0.00	19,116,598.19	36,266,000.00	24,577,000.00	33,693,513.25
July 2005 .....	0.00	0.00	17,929,322.87	36,266,000.00	24,577,000.00	33,672,529.51
August 2005 .....	0.00	0.00	16,747,865.73	36,266,000.00	24,577,000.00	33,652,049.97
September 2005 .....	0.00	0.00	15,572,196.53	36,266,000.00	24,577,000.00	33,632,070.50
October 2005 .....	0.00	0.00	14,402,285.20	36,266,000.00	24,577,000.00	33,612,586.99
November 2005 .....	0.00	0.00	13,238,101.81	36,266,000.00	24,577,000.00	33,593,595.38
December 2005 .....	0.00	0.00	12,079,616.60	36,266,000.00	24,577,000.00	33,575,091.62
January 2006 .....	0.00	0.00	10,926,799.94	36,266,000.00	24,577,000.00	33,557,071.72
February 2006 .....	0.00	0.00	9,779,622.37	36,266,000.00	24,577,000.00	33,539,531.68
March 2006 .....	0.00	0.00	8,638,054.58	36,266,000.00	24,577,000.00	33,522,467.56
April 2006 .....	0.00	0.00	7,502,067.40	36,266,000.00	24,577,000.00	33,505,875.44
May 2006 .....	0.00	0.00	6,373,059.10	36,266,000.00	24,577,000.00	33,488,324.16

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>PH Class Planned Balance</u>	<u>A Class Targeted Balance</u>
June 2006 .....	\$ 0.00	\$ 0.00	\$ 5,261,849.91	\$36,266,000.00	\$24,577,000.00	\$33,458,960.73
July 2006 .....	0.00	0.00	4,168,165.98	36,266,000.00	24,577,000.00	33,418,026.49
August 2006 .....	0.00	0.00	3,091,737.58	36,266,000.00	24,577,000.00	33,365,758.78
September 2006 .....	0.00	0.00	2,032,299.08	36,266,000.00	24,577,000.00	33,302,391.02
October 2006 .....	0.00	0.00	989,588.90	36,266,000.00	24,577,000.00	33,228,152.78
November 2006 .....	0.00	0.00	0.00	36,229,349.41	24,577,000.00	33,143,269.82
December 2006 .....	0.00	0.00	0.00	35,219,326.92	24,577,000.00	33,047,964.16
January 2007 .....	0.00	0.00	0.00	34,225,271.58	24,577,000.00	32,942,454.15
February 2007 .....	0.00	0.00	0.00	33,246,937.33	24,577,000.00	32,826,954.50
March 2007 .....	0.00	0.00	0.00	32,284,081.86	24,577,000.00	32,701,676.35
April 2007 .....	0.00	0.00	0.00	31,336,466.53	24,577,000.00	32,566,827.34
May 2007 .....	0.00	0.00	0.00	30,403,856.36	24,577,000.00	32,422,611.63
June 2007 .....	0.00	0.00	0.00	29,486,019.89	24,577,000.00	32,269,229.98
July 2007 .....	0.00	0.00	0.00	28,582,729.23	24,577,000.00	32,106,879.82
August 2007 .....	0.00	0.00	0.00	27,693,759.92	24,577,000.00	31,935,755.25
September 2007 .....	0.00	0.00	0.00	26,818,890.93	24,577,000.00	31,756,047.12
October 2007 .....	0.00	0.00	0.00	25,957,904.59	24,577,000.00	31,567,943.12
November 2007 .....	0.00	0.00	0.00	25,110,586.53	24,577,000.00	31,371,627.74
December 2007 .....	0.00	0.00	0.00	24,276,725.67	24,577,000.00	31,167,282.41
January 2008 .....	0.00	0.00	0.00	23,456,114.09	24,577,000.00	30,955,085.48
February 2008 .....	0.00	0.00	0.00	22,648,547.10	24,577,000.00	30,735,212.31
March 2008 .....	0.00	0.00	0.00	21,853,823.06	24,577,000.00	30,507,835.31
April 2008 .....	0.00	0.00	0.00	21,071,743.46	24,577,000.00	30,273,123.97
May 2008 .....	0.00	0.00	0.00	20,302,112.75	24,577,000.00	30,031,244.91
June 2008 .....	0.00	0.00	0.00	19,544,738.42	24,577,000.00	29,782,361.93
July 2008 .....	0.00	0.00	0.00	18,799,430.83	24,577,000.00	29,526,636.07
August 2008 .....	0.00	0.00	0.00	18,066,003.29	24,577,000.00	29,264,225.62
September 2008 .....	0.00	0.00	0.00	17,344,271.90	24,577,000.00	28,995,286.19
October 2008 .....	0.00	0.00	0.00	16,634,055.59	24,577,000.00	28,719,970.72
November 2008 .....	0.00	0.00	0.00	15,935,176.04	24,577,000.00	28,438,429.57
December 2008 .....	0.00	0.00	0.00	15,247,457.65	24,577,000.00	28,150,810.53
January 2009 .....	0.00	0.00	0.00	14,570,727.50	24,577,000.00	27,857,258.84
February 2009 .....	0.00	0.00	0.00	13,904,815.30	24,577,000.00	27,557,917.29
March 2009 .....	0.00	0.00	0.00	13,249,553.35	24,577,000.00	27,252,926.19
April 2009 .....	0.00	0.00	0.00	12,604,776.52	24,577,000.00	26,942,423.46
May 2009 .....	0.00	0.00	0.00	11,970,322.19	24,577,000.00	26,626,544.65
June 2009 .....	0.00	0.00	0.00	11,346,030.23	24,577,000.00	26,305,422.96
July 2009 .....	0.00	0.00	0.00	10,731,742.93	24,577,000.00	25,979,189.31
August 2009 .....	0.00	0.00	0.00	10,127,305.00	24,577,000.00	25,647,972.36
September 2009 .....	0.00	0.00	0.00	9,532,563.53	24,577,000.00	25,311,898.52
October 2009 .....	0.00	0.00	0.00	8,947,367.93	24,577,000.00	24,971,092.04
November 2009 .....	0.00	0.00	0.00	8,371,569.90	24,577,000.00	24,625,675.00
December 2009 .....	0.00	0.00	0.00	7,805,023.43	24,577,000.00	24,275,767.35
January 2010 .....	0.00	0.00	0.00	7,247,584.72	24,577,000.00	23,921,486.96
February 2010 .....	0.00	0.00	0.00	6,699,112.16	24,577,000.00	23,562,949.66
March 2010 .....	0.00	0.00	0.00	6,159,466.32	24,577,000.00	23,200,269.23
April 2010 .....	0.00	0.00	0.00	5,628,509.89	24,577,000.00	22,833,557.48
May 2010 .....	0.00	0.00	0.00	5,106,107.65	24,577,000.00	22,462,924.24
June 2010 .....	0.00	0.00	0.00	4,592,126.47	24,577,000.00	22,088,477.43
July 2010 .....	0.00	0.00	0.00	4,086,435.23	24,577,000.00	21,710,323.06
August 2010 .....	0.00	0.00	0.00	3,588,904.82	24,577,000.00	21,328,565.29
September 2010 .....	0.00	0.00	0.00	3,099,408.11	24,577,000.00	20,943,306.40



<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>PH Class Planned Balance</u>	<u>A Class Targeted Balance</u>
October 2010 .....	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,617,819.91	\$24,577,000.00	\$20,554,646.91
November 2010 .....	0.00	0.00	0.00	2,144,016.95	24,577,000.00	20,162,685.53
December 2010 .....	0.00	0.00	0.00	1,677,877.83	24,577,000.00	19,767,519.23
January 2011 .....	0.00	0.00	0.00	1,219,283.02	24,577,000.00	19,369,243.24
February 2011 .....	0.00	0.00	0.00	768,114.81	24,577,000.00	18,967,951.11
March 2011 .....	0.00	0.00	0.00	324,257.31	24,577,000.00	18,563,734.71
April 2011 .....	0.00	0.00	0.00	0.00	24,464,596.37	18,156,684.26
May 2011 .....	0.00	0.00	0.00	0.00	24,035,019.62	17,746,888.39
June 2011 .....	0.00	0.00	0.00	0.00	23,612,416.39	17,334,434.10
July 2011 .....	0.00	0.00	0.00	0.00	23,196,677.71	16,919,406.85
August 2011 .....	0.00	0.00	0.00	0.00	22,787,696.28	16,501,890.55
September 2011 .....	0.00	0.00	0.00	0.00	22,385,366.45	16,081,967.60
October 2011 .....	0.00	0.00	0.00	0.00	21,989,584.18	15,659,718.88
November 2011 .....	0.00	0.00	0.00	0.00	21,600,247.02	15,235,223.84
December 2011 .....	0.00	0.00	0.00	0.00	21,217,254.09	14,808,560.46
January 2012 .....	0.00	0.00	0.00	0.00	20,840,506.08	14,379,805.30
February 2012 .....	0.00	0.00	0.00	0.00	20,469,905.16	13,949,033.53
March 2012 .....	0.00	0.00	0.00	0.00	20,105,355.05	13,516,318.93
April 2012 .....	0.00	0.00	0.00	0.00	19,746,760.90	13,081,733.93
May 2012 .....	0.00	0.00	0.00	0.00	19,394,029.34	12,645,349.63
June 2012 .....	0.00	0.00	0.00	0.00	19,047,068.43	12,207,235.83
July 2012 .....	0.00	0.00	0.00	0.00	18,705,787.64	11,767,461.00
August 2012 .....	0.00	0.00	0.00	0.00	18,370,097.83	11,326,092.37
September 2012 .....	0.00	0.00	0.00	0.00	18,039,911.22	10,883,195.93
October 2012 .....	0.00	0.00	0.00	0.00	17,715,141.38	10,438,836.41
November 2012 .....	0.00	0.00	0.00	0.00	17,395,703.22	9,993,077.34
December 2012 .....	0.00	0.00	0.00	0.00	17,081,512.94	9,545,981.08
January 2013 .....	0.00	0.00	0.00	0.00	16,772,488.04	9,097,608.79
February 2013 .....	0.00	0.00	0.00	0.00	16,468,547.28	8,648,020.50
March 2013 .....	0.00	0.00	0.00	0.00	16,169,610.67	8,197,275.09
April 2013 .....	0.00	0.00	0.00	0.00	15,875,599.45	7,745,430.33
May 2013 .....	0.00	0.00	0.00	0.00	15,586,436.08	7,292,542.89
June 2013 .....	0.00	0.00	0.00	0.00	15,302,044.19	6,838,668.37
July 2013 .....	0.00	0.00	0.00	0.00	15,022,348.60	6,383,861.30
August 2013 .....	0.00	0.00	0.00	0.00	14,747,275.28	5,928,175.17
September 2013 .....	0.00	0.00	0.00	0.00	14,476,751.36	5,471,662.43
October 2013 .....	0.00	0.00	0.00	0.00	14,210,705.07	5,014,374.53
November 2013 .....	0.00	0.00	0.00	0.00	13,949,065.73	4,556,361.93
December 2013 .....	0.00	0.00	0.00	0.00	13,691,763.79	4,097,674.10
January 2014 .....	0.00	0.00	0.00	0.00	13,438,730.74	3,638,359.55
February 2014 .....	0.00	0.00	0.00	0.00	13,189,899.14	3,178,465.84
March 2014 .....	0.00	0.00	0.00	0.00	12,945,202.57	2,718,039.60
April 2014 .....	0.00	0.00	0.00	0.00	12,704,575.65	2,257,126.56
May 2014 .....	0.00	0.00	0.00	0.00	12,467,954.00	1,795,771.52
June 2014 .....	0.00	0.00	0.00	0.00	12,235,274.25	1,334,018.41
July 2014 .....	0.00	0.00	0.00	0.00	12,006,473.99	871,910.29
August 2014 .....	0.00	0.00	0.00	0.00	11,781,491.76	409,489.36
September 2014 .....	0.00	0.00	0.00	0.00	11,560,267.08	0.00
October 2014 .....	0.00	0.00	0.00	0.00	11,342,740.38	0.00
November 2014 .....	0.00	0.00	0.00	0.00	11,128,853.02	0.00
December 2014 .....	0.00	0.00	0.00	0.00	10,918,547.25	0.00
January 2015 .....	0.00	0.00	0.00	0.00	10,711,766.24	0.00

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February 2015 .....	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$10,508,454.00	\$ 0.00
March 2015 .....	0.00	0.00	0.00	0.00	10,308,555.45	0.00
April 2015 .....	0.00	0.00	0.00	0.00	10,112,016.31	0.00
May 2015 .....	0.00	0.00	0.00	0.00	9,918,783.19	0.00
June 2015 .....	0.00	0.00	0.00	0.00	9,728,803.48	0.00
July 2015 .....	0.00	0.00	0.00	0.00	9,542,025.41	0.00
August 2015 .....	0.00	0.00	0.00	0.00	9,358,398.02	0.00
September 2015 .....	0.00	0.00	0.00	0.00	9,177,871.10	0.00
October 2015 .....	0.00	0.00	0.00	0.00	9,000,395.25	0.00
November 2015 .....	0.00	0.00	0.00	0.00	8,825,921.82	0.00
December 2015 .....	0.00	0.00	0.00	0.00	8,654,402.92	0.00
January 2016 .....	0.00	0.00	0.00	0.00	8,485,791.40	0.00
February 2016 .....	0.00	0.00	0.00	0.00	8,320,040.84	0.00
March 2016 .....	0.00	0.00	0.00	0.00	8,157,105.54	0.00
April 2016 .....	0.00	0.00	0.00	0.00	7,996,940.49	0.00
May 2016 .....	0.00	0.00	0.00	0.00	7,839,501.42	0.00
June 2016 .....	0.00	0.00	0.00	0.00	7,684,744.69	0.00
July 2016 .....	0.00	0.00	0.00	0.00	7,532,627.40	0.00
August 2016 .....	0.00	0.00	0.00	0.00	7,383,107.25	0.00
September 2016 .....	0.00	0.00	0.00	0.00	7,236,142.66	0.00
October 2016 .....	0.00	0.00	0.00	0.00	7,091,692.63	0.00
November 2016 .....	0.00	0.00	0.00	0.00	6,949,716.86	0.00
December 2016 .....	0.00	0.00	0.00	0.00	6,810,175.64	0.00
January 2017 .....	0.00	0.00	0.00	0.00	6,673,029.87	0.00
February 2017 .....	0.00	0.00	0.00	0.00	6,538,241.08	0.00
March 2017 .....	0.00	0.00	0.00	0.00	6,405,771.39	0.00
April 2017 .....	0.00	0.00	0.00	0.00	6,275,583.50	0.00
May 2017 .....	0.00	0.00	0.00	0.00	6,147,640.70	0.00
June 2017 .....	0.00	0.00	0.00	0.00	6,021,906.85	0.00
July 2017 .....	0.00	0.00	0.00	0.00	5,898,346.38	0.00
August 2017 .....	0.00	0.00	0.00	0.00	5,776,924.25	0.00
September 2017 .....	0.00	0.00	0.00	0.00	5,657,605.98	0.00
October 2017 .....	0.00	0.00	0.00	0.00	5,540,357.64	0.00
November 2017 .....	0.00	0.00	0.00	0.00	5,425,145.80	0.00
December 2017 .....	0.00	0.00	0.00	0.00	5,311,937.57	0.00
January 2018 .....	0.00	0.00	0.00	0.00	5,200,700.57	0.00
February 2018 .....	0.00	0.00	0.00	0.00	5,091,402.93	0.00
March 2018 .....	0.00	0.00	0.00	0.00	4,984,013.26	0.00
April 2018 .....	0.00	0.00	0.00	0.00	4,878,500.68	0.00
May 2018 .....	0.00	0.00	0.00	0.00	4,774,834.77	0.00
June 2018 .....	0.00	0.00	0.00	0.00	4,672,985.61	0.00
July 2018 .....	0.00	0.00	0.00	0.00	4,572,923.72	0.00
August 2018 .....	0.00	0.00	0.00	0.00	4,474,620.11	0.00
September 2018 .....	0.00	0.00	0.00	0.00	4,378,046.21	0.00
October 2018 .....	0.00	0.00	0.00	0.00	4,283,173.93	0.00
November 2018 .....	0.00	0.00	0.00	0.00	4,189,975.59	0.00
December 2018 .....	0.00	0.00	0.00	0.00	4,098,423.96	0.00
January 2019 .....	0.00	0.00	0.00	0.00	4,008,492.24	0.00
February 2019 .....	0.00	0.00	0.00	0.00	3,920,154.03	0.00
March 2019 .....	0.00	0.00	0.00	0.00	3,833,383.36	0.00
April 2019 .....	0.00	0.00	0.00	0.00	3,748,154.66	0.00
May 2019 .....	0.00	0.00	0.00	0.00	3,664,442.76	0.00

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>PH Class Planned Balance</u>	<u>A Class Targeted Balance</u>
June 2019 .....	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 3,582,222.89	\$ 0.00
July 2019 .....	0.00	0.00	0.00	0.00	3,501,470.67	0.00
August 2019 .....	0.00	0.00	0.00	0.00	3,422,162.08	0.00
September 2019 .....	0.00	0.00	0.00	0.00	3,344,273.51	0.00
October 2019 .....	0.00	0.00	0.00	0.00	3,267,781.69	0.00
November 2019 .....	0.00	0.00	0.00	0.00	3,192,663.74	0.00
December 2019 .....	0.00	0.00	0.00	0.00	3,118,897.12	0.00
January 2020 .....	0.00	0.00	0.00	0.00	3,046,459.66	0.00
February 2020 .....	0.00	0.00	0.00	0.00	2,975,329.53	0.00
March 2020 .....	0.00	0.00	0.00	0.00	2,905,485.24	0.00
April 2020 .....	0.00	0.00	0.00	0.00	2,836,905.65	0.00
May 2020 .....	0.00	0.00	0.00	0.00	2,769,569.93	0.00
June 2020 .....	0.00	0.00	0.00	0.00	2,703,457.61	0.00
July 2020 .....	0.00	0.00	0.00	0.00	2,638,548.51	0.00
August 2020 .....	0.00	0.00	0.00	0.00	2,574,822.78	0.00
September 2020 .....	0.00	0.00	0.00	0.00	2,512,260.91	0.00
October 2020 .....	0.00	0.00	0.00	0.00	2,450,843.64	0.00
November 2020 .....	0.00	0.00	0.00	0.00	2,390,552.07	0.00
December 2020 .....	0.00	0.00	0.00	0.00	2,331,367.57	0.00
January 2021 .....	0.00	0.00	0.00	0.00	2,273,271.80	0.00
February 2021 .....	0.00	0.00	0.00	0.00	2,216,246.72	0.00
March 2021 .....	0.00	0.00	0.00	0.00	2,160,274.57	0.00
April 2021 .....	0.00	0.00	0.00	0.00	2,105,337.89	0.00
May 2021 .....	0.00	0.00	0.00	0.00	2,051,419.46	0.00
June 2021 .....	0.00	0.00	0.00	0.00	1,998,502.35	0.00
July 2021 .....	0.00	0.00	0.00	0.00	1,946,569.92	0.00
August 2021 .....	0.00	0.00	0.00	0.00	1,895,605.75	0.00
September 2021 .....	0.00	0.00	0.00	0.00	1,845,593.72	0.00
October 2021 .....	0.00	0.00	0.00	0.00	1,796,517.94	0.00
November 2021 .....	0.00	0.00	0.00	0.00	1,748,362.77	0.00
December 2021 .....	0.00	0.00	0.00	0.00	1,701,112.84	0.00
January 2022 .....	0.00	0.00	0.00	0.00	1,654,753.00	0.00
February 2022 .....	0.00	0.00	0.00	0.00	1,609,268.37	0.00
March 2022 .....	0.00	0.00	0.00	0.00	1,564,644.26	0.00
April 2022 .....	0.00	0.00	0.00	0.00	1,520,866.27	0.00
May 2022 .....	0.00	0.00	0.00	0.00	1,477,920.17	0.00
June 2022 .....	0.00	0.00	0.00	0.00	1,435,792.01	0.00
July 2022 .....	0.00	0.00	0.00	0.00	1,394,468.02	0.00
August 2022 .....	0.00	0.00	0.00	0.00	1,353,934.68	0.00
September 2022 .....	0.00	0.00	0.00	0.00	1,314,178.66	0.00
October 2022 .....	0.00	0.00	0.00	0.00	1,275,186.86	0.00
November 2022 .....	0.00	0.00	0.00	0.00	1,236,946.37	0.00
December 2022 .....	0.00	0.00	0.00	0.00	1,199,444.51	0.00
January 2023 .....	0.00	0.00	0.00	0.00	1,162,668.79	0.00
February 2023 .....	0.00	0.00	0.00	0.00	1,126,606.92	0.00
March 2023 .....	0.00	0.00	0.00	0.00	1,091,246.79	0.00
April 2023 .....	0.00	0.00	0.00	0.00	1,056,576.52	0.00
May 2023 .....	0.00	0.00	0.00	0.00	1,022,584.38	0.00
June 2023 .....	0.00	0.00	0.00	0.00	989,258.85	0.00
July 2023 .....	0.00	0.00	0.00	0.00	956,588.60	0.00
August 2023 .....	0.00	0.00	0.00	0.00	924,562.46	0.00
September 2023 .....	0.00	0.00	0.00	0.00	893,169.45	0.00

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>PH Class Planned Balance</u>	<u>A Class Targeted Balance</u>
October 2023 .....	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 862,398.78	\$ 0.00
November 2023 .....	0.00	0.00	0.00	0.00	832,239.80	0.00
December 2023 .....	0.00	0.00	0.00	0.00	802,682.05	0.00
January 2024 .....	0.00	0.00	0.00	0.00	773,715.25	0.00
February 2024 .....	0.00	0.00	0.00	0.00	745,329.26	0.00
March 2024 .....	0.00	0.00	0.00	0.00	717,514.12	0.00
April 2024 .....	0.00	0.00	0.00	0.00	690,260.03	0.00
May 2024 .....	0.00	0.00	0.00	0.00	663,557.32	0.00
June 2024 .....	0.00	0.00	0.00	0.00	637,396.52	0.00
July 2024 .....	0.00	0.00	0.00	0.00	611,768.29	0.00
August 2024 .....	0.00	0.00	0.00	0.00	586,663.42	0.00
September 2024 .....	0.00	0.00	0.00	0.00	562,072.89	0.00
October 2024 .....	0.00	0.00	0.00	0.00	537,987.78	0.00
November 2024 .....	0.00	0.00	0.00	0.00	514,399.36	0.00
December 2024 .....	0.00	0.00	0.00	0.00	491,299.01	0.00
January 2025 .....	0.00	0.00	0.00	0.00	468,678.26	0.00
February 2025 .....	0.00	0.00	0.00	0.00	446,528.76	0.00
March 2025 .....	0.00	0.00	0.00	0.00	424,842.33	0.00
April 2025 .....	0.00	0.00	0.00	0.00	403,610.88	0.00
May 2025 .....	0.00	0.00	0.00	0.00	382,826.49	0.00
June 2025 .....	0.00	0.00	0.00	0.00	362,481.34	0.00
July 2025 .....	0.00	0.00	0.00	0.00	342,567.75	0.00
August 2025 .....	0.00	0.00	0.00	0.00	323,078.17	0.00
September 2025 .....	0.00	0.00	0.00	0.00	304,005.14	0.00
October 2025 .....	0.00	0.00	0.00	0.00	285,341.37	0.00
November 2025 .....	0.00	0.00	0.00	0.00	267,079.65	0.00
December 2025 .....	0.00	0.00	0.00	0.00	249,212.91	0.00
January 2026 .....	0.00	0.00	0.00	0.00	231,734.17	0.00
February 2026 .....	0.00	0.00	0.00	0.00	214,636.59	0.00
March 2026 .....	0.00	0.00	0.00	0.00	197,913.43	0.00
April 2026 .....	0.00	0.00	0.00	0.00	181,558.06	0.00
May 2026 .....	0.00	0.00	0.00	0.00	165,563.95	0.00
June 2026 .....	0.00	0.00	0.00	0.00	149,924.70	0.00
July 2026 .....	0.00	0.00	0.00	0.00	134,633.98	0.00
August 2026 .....	0.00	0.00	0.00	0.00	119,685.59	0.00
September 2026 .....	0.00	0.00	0.00	0.00	105,073.43	0.00
October 2026 .....	0.00	0.00	0.00	0.00	90,791.48	0.00
November 2026 .....	0.00	0.00	0.00	0.00	76,833.85	0.00
December 2026 .....	0.00	0.00	0.00	0.00	63,194.71	0.00
January 2027 .....	0.00	0.00	0.00	0.00	49,868.35	0.00
February 2027 .....	0.00	0.00	0.00	0.00	36,849.15	0.00
March 2027 .....	0.00	0.00	0.00	0.00	24,131.58	0.00
April 2027 .....	0.00	0.00	0.00	0.00	11,710.19	0.00
May 2027 and thereafter .....	0.00	0.00	0.00	0.00	0.00	0.00

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\$1,144,248,546



**FannieMae**

Guaranteed REMIC  
Pass-Through Certificates  
Fannie Mae REMIC Trust 1997-74

## PROSPECTUS SUPPLEMENT

**LEHMAN BROTHERS**

September 23, 1997