

\$519,266,166



FannieMae

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1998-64**

The Certificates

We, the Federal National Mortgage Association ("Fannie Mae"), will issue the classes of certificates listed in the chart on this page.

Payments to Certificateholders

We will make monthly payments on the certificates. You, the investor, will receive

- interest accrued on the balance of your certificate (except in the case of an accrual class), and
- principal to the extent available for payment on your class.

We may pay principal at rates which vary from time to time. We may not pay principal to certain classes for long periods of time.

The Fannie Mae Guaranty

We will guarantee that required payments of principal and interest on the certificates are distributed to investors on time.

The Trust and its Assets

The trust will indirectly own

- Fannie Mae MBS and
- underlying REMIC certificates backed directly or indirectly by Fannie Mae MBS.

The mortgage loans underlying the Fannie Mae MBS are first lien, single-family, fixed-rate loans.

Class	Group	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
K	1	\$ 4,800,000	SC/PT	7.500%	FIX	31359UZ40	August 2028
LL(1)	1	19,200,000	SC/PT/RTL	6.250	FIX	31359UZ57	August 2028
TM	2	250,000,000	TAC	6.500	FIX	31359UZ65	December 2028
AB	2	67,422,106	SEG(TAC)/SEQ	6.125	FIX	31359UZ73	December 2028
AC	2	500,000	SEG(TAC)/SEQ	5.875	FIX	31359UZ81	December 2028
AE	2	31,000,000	SEG(TAC)/SEQ	6.000	FIX	31359UZ99	December 2028
AD	2	21,797,894	SEG(TAC)/SEQ	8.500	FIX	31359U2A2	December 2028
AG	2	10,000,000	SEG(TAC)/SEQ	6.250	FIX	31359U2B0	December 2028
ZA	2	5,250,000	SEG(TAC)/TAC	6.500	FIX/Z	31359U2C8	April 2028
B	2	26,455,000	SEG(TAC)/TAC	6.500	FIX	31359U2D6	December 2028
Z	2	4,241,667	SUP	6.500	FIX/Z	31359U2E4	December 2028
SC	3	4,689,847	SC/PT	(2)	INV	31359U2F1	July 2023
SD	3	2,344,924	SC/PT	(2)	INV	31359U2G9	July 2023
SB	4	4,102,509	SC/PT	(2)	INV	31359U2H7	August 2023
FC	5	1,526,785	SC/PT	(2)	FLT	31359U2J3	October 2023
SE	5	1,526,785(3)	NTL	(2)	INV/IO	31359U2K0	October 2023
C	5	4,003,434	SC/PT	6.500	FIX	31359U2L8	October 2023
SF	5	2,530,218(3)	NTL	(2)	INV/IO	31359U2M6	October 2023
VA	6	24,000,000	SC/SEQ/AD	6.500	FIX	31359U2N4	September 2028
VB	6	13,932,000	SC/SEQ/AD	6.500	FIX	31359U2P9	September 2028
ZB	6	24,000,000	SC/SEQ	6.500	FIX/Z	31359U2Q7	September 2028
SG	7	12,399,992(3)	NTL	(4)	INV/IO	31359U2R5	March 2022
SH	7	28,933,315(3)	NTL	(4)	INV/IO	31359U2S3	March 2022
SI	7	41,333,307(3)	NTL	(4)	INV/IO	31359U2T1	March 2022
R		0	NPR	0	NPR	31359U2U8	December 2028
RL		0	NPR	0	NPR	31359U2V6	December 2028

- (1) The LL Class with an original principal balance of \$19,200,000 is being offered by means of the retail class supplement and is not offered hereby.
(2) Based on LIBOR.
(3) Notional balances. These are interest only classes.
(4) Based on 7-year Treasury index.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be November 27, 1998 in the case of the K and LL Classes, and November 30, 1998 in the case of all other classes of certificates.

Carefully consider the risk factors starting on page S-8 of this prospectus supplement and on page 10 of the REMIC prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

You should read the REMIC prospectus as well as this prospectus supplement.

The certificates, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than Fannie Mae.

The certificates are exempt from registration under the Securities Act of 1933 and are "exempted securities" under the Securities Exchange Act of 1934.

PaineWebber Incorporated

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
AVAILABLE INFORMATION	S- 3	<i>Z Accrual Amount</i>	S-16
REFERENCE SHEET	S- 4	<i>ZA Accrual Amount</i>	S-16
ADDITIONAL RISK FACTORS	S- 8	<i>Group 2 Cash Flow Distribution</i>	
DESCRIPTION OF THE		<i>Amount</i>	S-16
CERTIFICATES	S- 9	<i>Group 3 Principal Distribution Amount</i>	S-17
GENERAL.....	S- 9	<i>Group 4 Principal Distribution Amount</i>	S-17
<i>Structure</i>	S- 9	<i>Group 5 Principal Distribution Amount</i>	S-17
<i>Fannie Mae Guaranty</i>	S-10	<i>Group 6 Principal Distribution Amount</i>	S-17
<i>Characteristics of Certificates</i>	S-10	<i>ZB Accrual Amount</i>	S-17
<i>Authorized Denominations</i>	S-11	<i>Group 6 Cash Flow Distribution</i>	
<i>Distribution Dates</i>	S-11	<i>Amount</i>	S-17
<i>Record Date</i>	S-11	STRUCTURING ASSUMPTIONS.....	S-18
<i>Class Factors</i>	S-11	<i>Pricing Assumptions</i>	S-18
<i>Optional Termination</i>	S-11	<i>Prepayment Assumptions</i>	S-18
<i>Voting the Underlying REMIC</i>		<i>Structuring Rates</i>	S-18
<i>Certificates</i>	S-11	YIELD TABLES.....	S-19
THE TRUST MBS.....	S-11	<i>General</i>	S-19
THE UNDERLYING REMIC CERTIFICATES	S-12	<i>The Inverse Floating Rate Classes</i>	S-19
FINAL DATA STATEMENT.....	S-12	WEIGHTED AVERAGE LIVES OF THE	
DISTRIBUTIONS OF INTEREST.....	S-13	CERTIFICATES.....	S-22
<i>Categories of Classes</i>	S-13	DECREMENT TABLES.....	S-23
<i>General</i>	S-13	CHARACTERISTICS OF THE R AND RL	
<i>Interest Accrual Periods</i>	S-13	CLASSES.....	S-26
<i>Accrual Classes</i>	S-14	CERTAIN ADDITIONAL FEDERAL	
<i>Notional Classes</i>	S-14	INCOME TAX CONSEQUENCES	S-26
<i>Floating Rate and Inverse Floating Rate</i>		REMIC ELECTIONS AND SPECIAL TAX	
<i>Classes</i>	S-14	ATTRIBUTES.....	S-26
CALCULATION OF LIBOR.....	S-14	TAXATION OF BENEFICIAL OWNERS OF	
CALCULATION OF 7-YEAR TREASURY		REGULAR CERTIFICATES.....	S-27
INDEX.....	S-14	TAXATION OF BENEFICIAL OWNERS OF	
DISTRIBUTIONS OF PRINCIPAL.....	S-15	RESIDUAL CERTIFICATES.....	S-27
<i>Categories of Classes</i>	S-15	PLAN OF DISTRIBUTION	S-27
<i>Principal Distribution Amount</i>	S-15	<i>General</i>	S-27
<i>Group 1 Principal Distribution</i>		<i>Increase in Certificates</i>	S-27
<i>Amount</i>	S-16	LEGAL MATTERS	S-28
<i>Group 2 Principal Distribution</i>		EXHIBIT A	A- 1
<i>Amount</i>	S-16	PRINCIPAL BALANCE SCHEDULES	B- 1

AVAILABLE INFORMATION

You should purchase the certificates only if you have read and understand this prospectus supplement and the following documents (the “Disclosure Documents”):

- our Prospectus for Guaranteed REMIC Pass-Through Certificates dated September 18, 1998 (the “REMIC Prospectus”);
- our Prospectus for Guaranteed Mortgage Pass-Through Certificates dated October 1, 1998 (the “MBS Prospectus”);
- our Information Statement dated March 31, 1998 and its supplements (the “Information Statement”); and
- the disclosure documents relating to the underlying REMIC certificates (the “Underlying REMIC Disclosure Documents”).

You can obtain the Disclosure Documents by writing or calling us at:

Fannie Mae
MBS Helpline
3900 Wisconsin Avenue, N.W., Area 2H-3S
Washington, D.C. 20016
(telephone 1-800-237-8627 or 202-752-6547).

Most of the Disclosure Documents, together with the class factors, are available on our website located at <http://www.fanniemae.com>.

You also can obtain the Disclosure Documents, except those relating to the underlying REMIC certificates, by writing or calling the dealer at:

PaineWebber Incorporated
Prospectus Department
1000 Harbor Boulevard
Weehawken, New Jersey 07087
(telephone 201-902-6858).

REFERENCE SHEET

This reference sheet is not a summary of the transaction and does not contain complete information about the certificates. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3.

Assets underlying each Group of Classes

<u>Group</u>	<u>Assets</u>
1	Class 1998-47-DB REMIC Certificate
2	Trust MBS
3	Class 1996-54-N REMIC Certificate Class 1996-54-SN REMIC Certificate Class 1993-136-SA REMIC Certificate
4	Class 1997-59-E REMIC Certificate Class 1997-94-SD REMIC Certificate
5	Class 1996-27-FE REMIC Certificate Class 1993-201-SA REMIC Certificate Class 1993-201-SE REMIC Certificate Class 1993-201-SG REMIC Certificate
6	Class 1998-58-PX REMIC Certificate
7	Class 1998-1-SO REMIC Certificate

Assumed Characteristics of the Mortgage Loans underlying the MBS in the Trust (as of November 1, 1998)

<u>Approximate Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Approximate Weighted Average Remaining Term to Maturity (in months)</u>	<u>Approximate Calculated Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
\$ 25,000,000	360	360	0	7.00%
200,000,000	360	358	1	7.00%
66,666,667	360	356	3	7.00%
66,666,667	360	355	4	7.00%
58,333,333	360	354	5	7.00%

The actual remaining terms to maturity, calculated loan ages and interest rates of most of the mortgage loans will differ from the weighted averages shown above, perhaps significantly.

Characteristics of the Underlying REMIC Certificates

Exhibit A describes the underlying REMIC certificates, including certain information about the related mortgage loans. To learn more about the underlying REMIC certificates, you should obtain the current principal factors and disclosure documents for the underlying REMIC certificates from us as described on page S-3.

Class Factors

The class factors are numbers that, when multiplied by the initial principal balance of a certificate, can be used to calculate the current principal balance of that certificate (after taking into account distributions in the same month). We publish the class factors on or shortly after the 11th day of each month.

Settlement Date

We expect to issue the certificates of the classes in Group 1 on November 27, 1998, and the certificates of all other classes on November 30, 1998.

Distribution Dates

We will make payments on the classes of certificates in Group 1 on the 18th day of each calendar month, or on the next business day if the 18th day is not a business day. We will make payments on the classes of certificates in Groups 2, 3, 4, 5, 6, and 7 on the 25th day of each calendar month, or on the next business day if the 25th day is not a business day.

Book-Entry and Physical Certificates

We issue book-entry certificates through the U.S. Federal Reserve Banks, which will electronically track ownership of the certificates and payments on them. We will issue physical certificates in registered, certificated form.

We will issue the classes of certificates in the following forms:

<u>Fed Book-Entry</u>	<u>Physical</u>
Classes in Groups 1, 2, 3, 4, 5, 6 and 7 (other than the LL Class)	R and RL Classes

Interest Rates

During each interest accrual period, the fixed rate classes will bear interest at the applicable annual interest rates listed on the cover.

The initial interest rates listed below for the floating rate and inverse floating rate classes are assumed rates. We will calculate actual initial interest rates on November 23, 1998 using the applicable formulas. During subsequent interest accrual periods, the floating rate and inverse floating rate classes will bear interest based on the formulas indicated below, but always subject to the specified maximum and minimum interest rates:

<u>Class</u>	<u>Assumed Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate (1)</u>
SC	8.00000%	8.00000%	0.00000%	64% - (8 × LIBOR)
SD	3.84131%	17.92613%	0.00000%	17.92613% - (2.560876 × LIBOR)
SB	10.66296%	10.66296%	0.00000%	57.90393% - (6.74871049 × LIBOR)
FC	6.03410%	8.50000%	0.75000%	LIBOR + 75 basis points
SE	2.46590%	7.75000%	0.00000%	7.75% - LIBOR
SF	2.08944%	13.00000%	0.00000%	24.54687% - (4.25 × LIBOR)
SG	3.43000%	8.00000%	0.00000%	8% - 7-year Treasury index
SH	3.43000%	8.00000%	0.00000%	8% - 7-year Treasury index
SI	1.50000%	1.50000%	0.00000%	9.5% - 7-year Treasury index

(1) We will establish LIBOR on the basis of the "LIBO Method".

Notional Classes

A notional class will not receive any principal. Its notional principal balance is the balance used to calculate accrued interest. The notional principal balances will equal the percentage of the outstanding balance or balances specified below immediately before the related distribution date:

<u>Class</u>	
SE	100% of the FC Class
SF	45.7525823118% of the C Class 45.7525823118% of the FC Class
SG and SH(1)	100% of Class 1998-1-SO REMIC Certificate
SI	100% of Class 1998-1-SO REMIC Certificate

- (1) The sum of these notional principal balances will equal the percentage of the specified balance or balances. On each distribution date, reductions in the notional principal balance of the Class 1998-1-SO REMIC Certificate will be allocated, sequentially, in reduction of the notional principal balances of the SG and SH Classes, in that order, until their notional principal balances are reduced to zero.

Distributions of Principal

Group 1 Principal Distribution Amount

To the K and LL Classes, pro rata, to zero.

Group 2 Principal Distribution Amount

Z Accrual Amount

To the Segment Group I to its Targeted Balance, and thereafter to the Z Class.

ZA Accrual Amount

To the Segment Group II to zero, and thereafter to the ZA Class.

Group 2 Cash Flow Distribution Amount

1. To the TM Class to its Targeted Balance.
2. To the Segment Group I to its Targeted Balance.
3. To the Z Class to zero.
4. To the Segment Group I to zero.
5. To the TM Class to zero.

Group 3 Principal Distribution Amount

To the SC and SD Classes, pro rata, to zero.

Group 4 Principal Distribution Amount

To the SB Class to zero.

Group 5 Principal Distribution Amount

To the C and FC Classes, pro rata, to zero.

Group 6 Principal Distribution Amount

ZB Accrual Amount

To the VA and VB Classes, in that order, to zero, and thereafter to the ZB Class.

Group 6 Cash Flow Distribution Amount

To the VA, VB and ZB Classes, in that order, to zero.

Weighted Average Lives (years) *

		PSA Prepayment Assumption					
<u>Group 1 Classes</u>		<u>0%</u>	<u>100%</u>	<u>215%</u>	<u>350%</u>	<u>500%</u>	
K and LL		28.5	22.8	15.7	10.4	7.3	
		PSA Prepayment Assumption					
<u>Group 2 Classes</u>		<u>0%</u>	<u>65%</u>	<u>100%</u>	<u>214%</u>	<u>350%</u>	<u>500%</u>
TM	17.0	9.5	9.5	9.7	6.9	5.1	
AB, AC, AE, AD and AG	22.7	14.8	8.8	2.8	2.4	1.9	
ZA	28.2	24.4	22.0	0.6	0.5	0.4	
B	29.0	26.4	24.6	6.5	1.4	0.9	
Z	29.7	28.6	27.9	8.0	0.4	0.2	
		PSA Prepayment Assumption					
<u>Group 3 Classes</u>		<u>0%</u>	<u>100%</u>	<u>275%</u>	<u>350%</u>	<u>500%</u>	
SC and SD		10.0	8.6	1.3	0.8	0.5	
		PSA Prepayment Assumption					
<u>Group 4 Class</u>		<u>0%</u>	<u>100%</u>	<u>275%</u>	<u>350%</u>	<u>500%</u>	
SB		23.4	17.1	2.6	1.2	0.6	
		PSA Prepayment Assumption					
<u>Group 5 Classes</u>		<u>0%</u>	<u>100%</u>	<u>195%</u>	<u>350%</u>	<u>500%</u>	
FC, SE, C and SF		23.7	18.1	9.6	1.6	0.8	
		PSA Prepayment Assumption					
<u>Group 6 Classes</u>		<u>0%</u>	<u>100%</u>	<u>196%</u>	<u>350%</u>	<u>500%</u>	
VA		6.0	6.0	6.0	6.0	5.5	
VB		12.8	12.8	12.8	11.1	8.3	
ZB		25.3	18.8	18.8	15.1	11.3	
		PSA Prepayment Assumption					
<u>Group 7 Classes</u>		<u>0%</u>	<u>100%</u>	<u>340%</u>	<u>500%</u>	<u>650%</u>	
SG		17.8	8.5	3.0	2.0	1.5	
SH		21.4	15.7	7.5	5.1	3.8	
SI		20.3	13.5	6.2	4.2	3.1	

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

ADDITIONAL RISK FACTORS

The rate of principal payments on the certificates will be affected by the rate of principal payments on the underlying mortgage loans. The rate that you receive principal payments on the certificates will be sensitive to the rate of principal payments on the mortgage loans underlying the related MBS, including prepayments. Because borrowers generally may prepay their mortgage loans at any time without penalty, the rate of principal payments on the mortgage loans is likely to vary over time. It is highly unlikely that the mortgage loans will prepay

- at any of the prepayment rates we assumed in this prospectus supplement, or
- at any constant prepayment rate until maturity.

Principal payments or notional balance reductions of certain classes will also be affected by payment priorities governing the underlying REMIC certificates. If you invest in any classes in Groups 1, 3, 4, 5, 6 and 7, the rate that you receive principal payments, or the rate that your notional balance is reduced, will also be affected by the priority sequences governing principal payments or notional balance reductions on the related underlying REMIC certificates.

As described in the related disclosure documents, the underlying REMIC certificates may be subsequent in payment priority to certain other classes issued from the underlying REMIC trusts. As a result, such other classes may receive principal before principal is paid on the underlying REMIC certificates, possibly for long periods.

In particular, certain underlying REMIC certificates are support classes that are entitled to receive principal payments on any distribution date only if scheduled payments have been made on certain other classes in the related underlying REMIC trusts. Accordingly, these underlying REMIC certificates may receive no principal payments for extended periods or may receive principal payments that vary widely from period to period.

In addition, one of the underlying REMIC certificates has a notional principal balance that declines based on reductions in the principal balance of a separate class that has a principal

balance schedule. As a result, such separate class may receive principal payments at a rate faster or slower than would otherwise have been the case. In some cases, it may receive no principal payments for extended periods. In addition, prepayments on the related mortgage loans may have occurred at a rate faster or slower than the rate initially assumed. This prospectus supplement contains no information as to whether

- such separate class has adhered to its principal balance schedule,
- any related support classes remain outstanding, or
- such separate class otherwise has performed as originally anticipated.

You may obtain additional information about the underlying REMIC certificates by reviewing our current class factors in light of other information available in the related disclosure documents. You may obtain these documents from us as described on page S-3.

Yields may be lower than expected due to unexpected rate of principal payments. The actual yield on your certificates probably will be lower than you expect:

- if you bought your certificates at a premium and principal payments are faster than you expected, or
- if you bought your certificates at a discount and principal payments are slower than you expected.

Furthermore, in the case of interest only certificates and certificates purchased at a premium, you could lose money on your investment if prepayments occur at a rapid rate.

You must make your own decisions about the various applicable assumptions, including prepayment assumptions, when deciding whether to purchase the certificates.

Weighted average lives and yields on the certificates are affected by actual characteristics of the underlying mortgage loans. We have assumed that the mortgage loans underlying the MBS have certain characteristics. However, the actual mortgage loans probably will have differ-

ent characteristics from those we assumed. As a result, your yields could be lower than you expect, even if the mortgage loans prepay at the indicated constant prepayment rates. In addition, slight differences between the assumed mortgage loan characteristics and the actual mortgage loans could affect the weighted average lives of the classes of certificates.

Level of floating rate index affects yields on certain certificates. The yield on any floating rate or inverse floating rate certificate will be affected by the level of its interest rate index. If the level of the index differs from the level you expect, then your actual yield may be lower than you expect.

Delay classes have lower yields and market values. Since certain classes do not receive interest immediately following each interest accrual period, these classes have lower yields and lower market values than they would if there were no such delay.

Reinvestment of certificate payments may not achieve same yields as certificates. The rate of principal payments of the certificates is uncertain. You may be unable to reinvest the payments on the certificates at the same yields provided by the certificates.

Unpredictable timing of last payment affects yields on certificates. The actual final pay-

ment of your class is likely to occur earlier, and could occur much earlier, than the final distribution date listed on the cover page. If you assumed the actual final payment will occur on the final distribution date specified, your yield could be lower than you expect.

Some investors may be unable to buy certain classes. Investors whose investment activities are subject to legal investment laws and regulations, or to review by regulatory authorities, may be unable to buy certain certificates. You should get legal advice to determine whether you may purchase the certificates.

Uncertain market for the certificates could make them difficult to sell and cause their values to fluctuate. We cannot be sure that a market for resale of the certificates will develop. Further, if a market develops, it may not continue or be sufficiently liquid to allow you to sell your certificates. Even if you are able to sell your certificates, the sale price may not be comparable to similar investments that have a developed market. Moreover, you may not be able to sell small or large amounts of certificates at prices comparable to those available to other investors. You should purchase certificates only if you understand and can tolerate the risk that the value of your certificates will vary over time and that your certificates may not be easily sold.

DESCRIPTION OF THE CERTIFICATES

The material under this heading summarizes certain features of the Certificates. You will find additional information about the Certificates in the other sections of this prospectus supplement, as well as in the additional Disclosure Documents and the Trust Agreement. If we use a capitalized term in this prospectus supplement without defining it, you will find the definition of such term in the applicable Disclosure Documents or in the Trust Agreement.

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover (the “Trust”) and a separate trust (the “Lower Tier REMIC”) pursuant to a trust agreement dated as of November 1, 1998 (the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “Certificates”) pursuant to the Trust Agreement.

The Trust and the Lower Tier REMIC each will constitute a “real estate mortgage investment conduit” (“REMIC”) under the Internal Revenue Code of 1986, as amended (the “Code”).

- The Certificates (except the R and RL Classes) will be “regular interests” in the Trust.
- The R Class will be the “residual interest” in the Trust.

- The interests in the Lower Tier REMIC, other than the RL Class (the “Lower Tier Regular Interests”), will be the “regular interests” in the Lower Tier REMIC.
- The RL Class will be the “residual interest” in the Lower Tier REMIC.

The assets of the Trust will consist of the Lower Tier Regular Interests. The assets of the Lower Tier REMIC will consist of

- certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Trust MBS”), and
- certain previously issued REMIC certificates (the “Group 1 Underlying REMIC Certificates,” “Group 3 Underlying REMIC Certificates,” “Group 4 Underlying REMIC Certificates,” “Group 5 Underlying REMIC Certificates,” “Group 6 Underlying REMIC Certificates” and “Group 7 Underlying REMIC Certificates” and, together, 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.

The assets of the Underlying REMIC Trusts evidence direct or indirect 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 (each, a “Pool”) of first lien, single-family, fixed-rate residential mortgage loans (the “Mortgage Loans”) having the characteristics described herein.

Fannie Mae Guaranty. We guarantee that we will distribute to Certificateholders:

- required installments of principal and interest on the Certificates on time, and
- the principal balance of each Class of Certificates no later than its Final Distribution Date, whether or not we have received sufficient payments on the MBS.

In addition, we guarantee that we will distribute to each holder of an MBS:

- scheduled installments of principal and interest on the underlying Mortgage Loans on time, whether or not the related borrowers pay us, and
- the full principal balance of any foreclosed Mortgage Loan, whether or not we recover it.

Our guaranty obligations with respect to the Underlying REMIC Certificates are described in the Underlying REMIC Disclosure Documents. Our guarantees are not backed by the full faith and credit of the United States. See “Description of the Certificates—The Fannie Mae Guaranty” in the REMIC Prospectus, “Description of Certificates—The Fannie Mae Guaranty” in the MBS Prospectus, and “Description of the Certificates—General—Fannie Mae Guaranty” in the related Underlying REMIC Disclosure Documents.

Characteristics of Certificates. We will issue the Certificates (except the R and RL Classes) in book-entry form on the book-entry system of the U.S. Federal Reserve Banks. Entities whose names appear on the book-entry records of a Federal Reserve Bank as having had Certificates deposited in their accounts are “Holders” or “Certificateholders.” A Holder is not necessarily the beneficial owner of a Certificate. Beneficial owners ordinarily will hold Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of the Certificates—Denominations and Form” in the REMIC Prospectus.

We will issue the R and RL Certificates in fully registered, certificated form. The “Holder” or “Certificateholder” of the R or RL Certificate is its registered owner. The R or RL Certificate can be transferred at the corporate trust office of the Transfer Agent, or at the office of the Transfer Agent in New York, New York. State Street Bank and Trust Company in Boston, Massachusetts (“State Street”) will be the initial Transfer Agent. We may impose a service charge for any registration of

transfer of the R or RL Certificate and may require payment to cover any tax or other governmental charge. See also “Characteristics of the R and RL Classes.”

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust, and the Holder of the RL Class will receive the proceeds of any remaining assets of the Lower Tier REMIC, in each case only by presenting and surrendering the related Certificate at the office of the Paying Agent. State Street will be the initial Paying Agent.

Authorized Denominations. We will issue the Certificates, other than the R and RL Certificates, in minimum denominations of \$1,000 and whole dollar increments. We will issue the R and RL Classes as single Certificates with no principal balances.

Distribution Dates. We will make monthly payments on the Classes in Group 1 on the 18th day of each month (or, if the 18th is not a business day, on the first business day after the 18th). We will make monthly payments on the Classes in Groups 2, 3, 4, 5, 6 and 7 on the 25th day of each month (or, if the 25th is not a business day, on the first business day after the 25th). We refer to each such date as a “Distribution Date.” We will make the first payments to Certificateholders the month after we issue the Certificates.

Record Date. On each Distribution Date, we will make each monthly payment on the Certificates to Holders of record on the last day of the preceding month.

Class Factors. On or shortly after the eleventh calendar day of each month, we will publish a factor (carried to eight decimal places) for each Class of Certificates. When the factor is multiplied by the original principal balance (or notional principal balance) of a Certificate of that Class, the product will equal the current principal balance (or notional principal balance) of that Certificate after taking into account payments on the Distribution Date in the same month (as well as any addition to principal in the case of an Accrual Class).

Optional Termination. We will not terminate the Lower Tier REMIC or the Trust by exercising our right to repurchase the Mortgage Loans underlying any MBS unless

- only one Mortgage Loan remains in the related Pool, or
- the principal balance of the Pool is less than one percent of its original level.

See “Description of Certificates—Termination” in the MBS Prospectus.

Voting the Underlying REMIC Certificates. Holders of certificates of the Underlying REMIC Trusts may be asked to vote on issues arising under the applicable trust agreement. If so, the Trustee will vote the related Underlying REMIC Certificates as instructed by Holders of Certificates of the Classes backed by such Underlying REMIC Certificates. The Trustee must receive instructions from Holders of Certificates having principal balances and notional principal balances totaling at least 51% of the aggregate principal balance and notional principal balance of all such Classes outstanding. In the absence of such instructions, the Trustee will vote in a manner consistent, in its sole judgment, with the best interests of Certificateholders.

The Trust MBS

The following table contains certain information about the Trust MBS. The Trust MBS will have the aggregate unpaid principal balance and Pass-Through Rate shown 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, beginning in the month after we issue 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. These Mortgage Loans will have original maturities of up to 30 years. See “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. We expect the

characteristics of the Trust MBS and the related Mortgage Loans as of November 1, 1998 (the “Issue Date”) to be as follows:

Aggregate Unpaid Principal Balance	\$416,666,667
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.....	357 months
Approximate Weighted Average CAGE	2 months

The Underlying REMIC Certificates

The Underlying REMIC Certificates represent beneficial ownership interests in the related Underlying REMIC Trusts. The assets of these trusts evidence direct or indirect beneficial ownership interests in certain MBS having the general characteristics set forth in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a Pool of conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on single-family residential properties, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. Distributions on the Underlying REMIC Certificates will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Underlying REMIC Certificates are described in the related Underlying REMIC Disclosure Documents.

See Exhibit A for additional information about the Underlying REMIC Certificates.

For further information about the Underlying REMIC Certificates, telephone us at 1-800-237-8627 or 202-752-6547. You also may obtain certain information in electronic form by calling us at 1-800-752-6440 or 202-752-6000. There may have been material changes in facts and circumstances since the dates we prepared the Underlying REMIC Disclosure Documents. These may include changes in prepayment speeds, prevailing interest rates and other economic factors. As a result, the usefulness of the information set forth in such documents may be limited.

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the principal balances of the Underlying REMIC Certificates as of the Issue Date and with respect to the Trust MBS, the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current WAM is not available) of the Mortgage Loans underlying the Trust MBS. The Final Data Statement will also include the weighted averages of all the current or original WACs and the weighted averages of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying each of the Trust MBS as of the Issue Date. You may obtain the Final Data Statement by telephoning us at 1-800-237-8627 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 us at 1-800-752-6440 or 202-752-6000.

Distributions of Interest

Categories of Classes

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

<u>Interest Type*</u>	<u>Classes</u>
Group 1 Classes	
Fixed Rate	K and LL
Group 2 Classes	
Fixed Rate	TM, AB, AC, AE, AD, AG, ZA, B and Z
Accrual	ZA and Z
Group 3 Classes	
Inverse Floating Rate	SC and SD
Group 4 Class	
Inverse Floating Rate	SB
Group 5 Classes	
Fixed Rate	C
Floating Rate	FC
Inverse Floating Rate	SE and SF
Interest Only	SE and SF
Group 6 Classes	
Fixed Rate	VA, VB and ZB
Accrual	ZB
Group 7 Classes	
Inverse Floating Rate	SG, SH and SI
Interest Only	SG, SH and SI
No Payment Residual	R and RL

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

General. We will pay interest on the interest-bearing Certificates at the applicable annual interest rates shown on the cover or described in this prospectus supplement. We calculate interest based on a 360-day year consisting of twelve 30-day months. We pay interest monthly (except in the case of the Accrual Classes) on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet.

Interest to be paid (or added to principal, in the case of the Accrual Classes) on each Certificate on a Distribution Date will consist of one month’s interest on the outstanding balance of that Certificate immediately prior to such Distribution Date. For a description of the Accrual Classes, see “Accrual Classes.”

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

<u>Classes</u>	<u>Interest Accrual Periods</u>
All Fixed Rate Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs
All Floating Rate and Inverse Floating Rate Classes	One month period ending on the day preceding the Distribution Date

See “Additional Risk Factors—*Delay classes have lower yields and market values.*”

Accrual Classes. The ZA, Z and ZB Classes are Accrual Classes. Interest will accrue on the Accrual Classes at the applicable annual rates listed on the cover. However, we will not pay any interest on the Accrual Classes. Instead, interest accrued on each Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on the Accrual Classes as described under “Distributions of Principal” below.

Notional Classes. The Notional Classes will not have principal balances. During each Interest Accrual Period, the Notional Classes will bear interest on their notional principal balances at their applicable interest rates. The notional principal balances of the Notional Classes will be calculated as indicated under “Reference Sheet—Notional Classes.”

We use the notional principal balance of a Notional Class to determine interest payments on that Class. Although a Notional Class will not have a principal balance and will not be entitled to any principal payments, we will publish a class factor for that Class. References in this prospectus supplement to the principal balances of the Certificates generally shall refer also to the notional principal balances of the Notional Classes.

Floating Rate and Inverse Floating Rate Classes. During each Interest Accrual Period, the Floating Rate and Inverse Floating Rate Classes will bear interest at rates determined as described under “Reference Sheet—Interest Rates.”

Changes in each specified interest rate index (each, an “Index”) will affect the yields with respect to the related Classes. These changes may not correspond to changes in mortgage interest rates. Lower mortgage interest rates could occur while an increase in the level of the applicable Index occurs. Similarly, higher mortgage interest rates could occur while a decrease in the level of the applicable Index occurs.

Our establishment of each Index value and our determination of the interest rate for each applicable Class for the related Interest Accrual Period will be final and binding in the absence of manifest error. You may obtain each such interest rate by telephoning us at 1-800-237-8627 or 202-752-6547.

Calculation of LIBOR

On each Index Determination Date, we will calculate LIBOR for the related Interest Accrual Period. We will calculate LIBOR on the basis of the “LIBO Method,” as described in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*LIBOR*.”

If we are unable to calculate LIBOR on the initial Index Determination Date, LIBOR for the following Interest Accrual Period will be equal to LIBOR as determined for that Interest Accrual Period for the related Underlying REMIC Certificate in the case of the SC, SD, SB, FC, SE and SF Classes.

Calculation of 7-Year Treasury Index

On each Index Determination Date, we will calculate 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 preceding the related Index Determination Date. We will make such calculation as 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 principal payments, the Classes fall into the following categories:

<u>Principal Type*</u>	<u>Classes</u>
Group 1 Classes	
Structured Collateral/Pass-Through	K
Structured Collateral/Pass-Through/Retail	LL
Group 2 Classes	
TAC	TM
Support	Z
Segment (TAC) /TAC	ZA and B
Segment (TAC) /Sequential Pay	AD, AB, AC, AE and AG
Group 3 Classes	
Structured Collateral/Pass-Through	SC and SD
Group 4 Class	
Structured Collateral/Pass-Through	SB
Group 5 Classes	
Structured Collateral/Pass-Through	FC and C
Notional	SE and SF
Group 6 Classes	
Structured Collateral/Sequential Pay	ZB
Structured Collateral/Sequential Pay/Accretion Directed	VA and VB
Group 7 Classes	
Notional	SG, SH and SI
No Payment Residual	R and RL

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

Principal Distribution Amount

On the Distribution Date in each month, we will pay principal on the Certificates in an aggregate amount (the “Principal Distribution Amount”) equal to the sum of

- the principal then paid on the Group 1 Underlying REMIC Certificate (the “Group 1 Principal Distribution Amount”),
- the principal then paid on the Trust MBS (the “Group 2 Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balances of the ZA and Z Classes (the “ZA Accrual Amount” and “Z Accrual Amount,” respectively, and, together with the Group 2 Cash Flow Distribution Amount, the “Group 2 Principal Distribution Amount”),
- the principal then paid on the Group 3 Underlying REMIC Certificates (the “Group 3 Principal Distribution Amount”),
- the principal then paid on the Group 4 Underlying REMIC Certificates (the “Group 4 Principal Distribution Amount”),
- the principal then paid on the Group 5 Underlying REMIC Certificates (the “Group 5 Principal Distribution Amount”) and
- the principal then paid on the Group 6 Underlying REMIC Certificate (the “Group 6 Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balance

of the ZB Class (the “ZB Accrual Amount,” and, together with the Group 6 Cash Flow Distribution Amount, the “Group 6 Principal Distribution Amount”).

The portion of each class of Underlying REMIC Certificates held by the Lower Tier REMIC will be set forth in Exhibit A.

Group 1 Principal Distribution Amount

On each Distribution Date, we will pay the Group 1 Principal Distribution Amount, concurrently, as principal of the K and LL Classes, pro rata (or 20% and 80%, respectively), until their principal balances are reduced to zero. } Structured Collateral / Pass-Through Classes

Group 2 Principal Distribution Amount

Z Accrual Amount

On each Distribution Date, we will pay the Z Accrual Amount as principal of the Segment Group I (as described below), until the Segment I Balance (as described below) is reduced to its Targeted Balance for such Distribution Date. Thereafter, we will pay the Z Accrual Amount as principal of the Z Class. } Accretion Directed Group and Accrual Class

ZA Accrual Amount

On each Distribution Date, we will pay the ZA Accrual Amount as principal of the Segment Group II (as described below), without regard to its Targeted Balances and until the Segment II Balance (as described below) is reduced to zero. Thereafter, we will pay the ZA Accrual Amount as principal of the ZA Class. } Accretion Directed Group and Accrual Class

Group 2 Cash Flow Distribution Amount

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

- (i) to the TM Class, until its principal balance is reduced to its Targeted Balance for such Distribution Date; } TAC Class and Group
- (ii) to the Segment Group I, until the Segment I Balance is reduced to its Targeted Balance for such Distribution Date; }
- (iii) to the Z Class, until its principal balance is reduced to zero; } Support Class
- (iv) to the Segment Group I, without regard to its Targeted Balance and until the Segment I Balance is reduced to zero; and } TAC Group and Class
- (v) to the TM Class, without regard to its Targeted Balance and until its principal balance is reduced to zero. }

The “Segment Group I” consists of the ZA and B Classes and the Segment Group II. We will apply payments of principal of the Segment Group I as follows:

- first*, to the Segment Group II, until the Segment II Balance is reduced to its First Targeted Balance for such Distribution Date;
- second*, to the Segment Group II, until the Segment II Balance is reduced to its Second Targeted Balance for such Distribution Date;
- third*, to the ZA Class, until its principal balance is reduced to its First Targeted Balance for such Distribution Date;

fourth, to the Segment Group II, until the Segment II Balance is reduced to its Third Targeted Balance for such Distribution Date;

fifth, to the ZA Class, until its principal balance is reduced to its Second Targeted Balance for such Distribution Date;

sixth, to the B Class, until its principal balance is reduced to its Targeted Balance for such Distribution Date; and

seventh, sequentially, to the ZA and B Classes and the Segment Group II, in that order, without regard to their Targeted Balances and until the principal balances of the ZA and B Classes and the Segment II Balance are reduced to zero.

The “Segment I Balance” for any Distribution Date is equal to \$162,425,000 minus the sum of all principal amounts previously applied to it as specified above.

The “Segment Group II” consists of the AD, AB, AC, AE and AG Classes. We will apply payments of principal of the Segment Group II, concurrently, to the AD, AB, AC, AE and AG Classes, pro rata (or 16.6752555080%, 51.5774984700%, 0.3824969400%, 23.7148102815% and 7.6499388005%, respectively), until their principal balances are reduced to zero.

The “Segment II Balance” for any Distribution Date is equal to \$130,720,000 minus the sum of all principal amounts previously applied to it as specified above.

Group 3 Principal Distribution Amount

On each Distribution Date, we will pay the Group 3 Principal Distribution Amount, concurrently, as principal of the SC and SD Classes, pro rata (or 66.6666619283% and 33.3333380717%, respectively), until their principal balances are reduced to zero.

} Structured
Collateral/
Pass-Through
Classes

Group 4 Principal Distribution Amount

On each Distribution Date, we will pay the Group 4 Principal Distribution Amount as principal of the SB Class, until its principal balance is reduced to zero.

} Structured
Collateral/
Pass-Through
Class

Group 5 Principal Distribution Amount

On each Distribution Date, we will pay the Group 5 Principal Distribution Amount, concurrently, as principal of the C and FC Classes, pro rata (or 72.3919613310% and 27.6080386690%, respectively), until their principal balances are reduced to zero.

} Structured
Collateral/
Pass-Through
Classes

Group 6 Principal Distribution Amount

ZB Accrual Amount

On each Distribution Date, we will pay the ZB Accrual Amount, sequentially, as principal of the VA and VB Classes, in that order, until their principal balances are reduced to zero. Thereafter, we will pay the ZB Accrual Amount as principal of the ZB Class.

} Accretion
Directed
Classes
and
Accrual
Class

Group 6 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 6 Cash Flow Distribution Amount, sequentially, as principal of the VA, VB and ZB Classes, in that order, until their principal balances are reduced to zero.

} Structured
Collateral/
Sequential
Pay Classes

Structuring Assumptions

Pricing Assumptions. Except where otherwise noted, the information in the tables in this prospectus supplement has been prepared based on the actual characteristics of each Pool of Mortgage Loans underlying the Underlying REMIC Certificates, the priority sequences affecting the principal payments on the Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Trust MBS have the original terms to maturity, remaining terms to maturity, CAGEs and interest rates specified under “Reference Sheet—Assumed Characteristics of the Mortgage Loans underlying the MBS in the Trust”;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related table; and
- the settlement date for the sale of the Certificates is November 27, 1998 in the case of the K and LL Classes, and November 30, 1998 in the case of all other Classes.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used here is The Bond Market 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 Rates. The Principal Balance Schedules are found beginning on page B-1. The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the related Mortgage Loans will prepay at the applicable rates set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Classes and Groups (1)</u>	<u>Structuring Rates</u>
Targeted Balances	TM	65%
First Targeted Balances	ZA	(2)
Second Targeted Balances	ZA	(2)
Targeted Balances	B	(2)
First Targeted Balances	Segment Group II	(2)
Second Targeted Balances	Segment Group II	(2)
Third Targeted Balances	Segment Group II	(2)
Targeted Balances	Segment Group I	214%

(1) The Structuring Rates for these Segment Groups are associated with the related Segment Balances but not with the individual balances of the Classes included in such Groups.

(2) The Targeted Balances relating to the specified Classes and Groups have not been structured to hold at any *constant* percentage of PSA.

We cannot assure you that the balance of any Class or Group listed above will conform on any Distribution Date to the specified balance in the Principal Balance Schedules. As a result, we cannot assure you that payments of principal of any Class or Group listed above will begin or end on the Distribution Dates specified in the Principal Balance Schedules. We will distribute any excess of principal payments over the amount needed to reduce a Class or Group to its scheduled balance on a Distribution Date. Accordingly, the ability to reduce a Class or Group to its scheduled balance will not be improved by the averaging of high and low principal payments from month to month. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans, which may include recently originated Mortgage Loans, the Classes and Groups specified above may not be reduced to their scheduled balances, even if prepayments occur at the applicable rates specified above.

Yield Tables

General. The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA and, where specified, to changes in the applicable Index. We calculated the yields set forth in the tables 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 values 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.

These calculations do not take into account variations in the interest rates at which you could reinvest distributions on the Certificates. Accordingly, these calculations do not illustrate the return on any investment in the Certificates when such reinvestment rates are taken into account.

We cannot assure you that

- the pre-tax yields on the applicable Certificates will correspond to any of the pre-tax yields shown here or
- the aggregate purchase prices of the applicable Certificates will be as assumed.

In addition, it is unlikely that the applicable Index will correspond to the levels shown here. Furthermore, because some of the Mortgage Loans are likely to have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the principal payments on the Certificates are likely to differ from those assumed. This would be the case even if all Mortgage Loans prepay at the indicated constant percentages of PSA. Moreover, it is unlikely that

- the Mortgage Loans will prepay at a constant PSA rate until maturity,
- all of such Mortgage Loans will prepay at the same rate or
- the level of the applicable Index will remain constant.

***The Inverse Floating Rate Classes.* The yields on the Inverse Floating Rate Classes 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 applicable Index. The Mortgage Loans generally can be prepaid at any time without penalty. 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 illustrated in the tables below, it is possible that investors in the SB, SE, SF, SG, SH and SI Classes would lose money on their initial investments under certain Index and prepayment scenarios.**

Changes in the applicable Index may not correspond to 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 while the level of the Index increased.

The information shown in the yield tables has been prepared on the basis of the Pricing Assumptions and the assumptions that

- the interest rates for the Inverse Floating Rate Classes for the initial Interest Accrual Period are the rates listed in the table under “Reference Sheet—Interest Rates” and for each following Interest Accrual Period will be based on the specified level of the applicable Index, and

- 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>
SC	100.0000%
SD	95.0000
SB	101.2500
SE	4.9375
SF	3.7500
SG	3.5000
SH	8.7500
SI	3.9375

* 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 SC Class to Prepayments (Pre-Tax Yields to Maturity)

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>275%</u>	<u>350%</u>	<u>500%</u>
7.0% and below	8.1%	8.1%	8.1%	8.1%	8.1%
7.5%	4.1%	4.1%	4.3%	4.4%	4.6%
8.0%	0.1%	0.1%	0.4%	0.7%	1.0%

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>275%</u>	<u>350%</u>	<u>500%</u>
3.5%	9.9%	10.0%	13.4%	15.6%	18.9%
5.5%	4.5%	4.6%	8.2%	10.5%	14.0%
7.0% and above	0.5%	0.6%	4.4%	6.7%	10.3%

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>275%</u>	<u>350%</u>	<u>500%</u>
7.000%	10.7%	10.7%	10.3%	9.7%	8.6%
7.625%	6.4%	6.4%	6.1%	5.7%	4.8%
8.580%	0.0%	0.0%	(0.2)%	(0.4)%	(0.9)%

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>195%</u>	<u>350%</u>	<u>500%</u>
3.2841%	106.0%	106.0%	103.0%	41.7%	(51.1)%
5.2841%	55.4%	55.4%	50.6%	(16.4)%	*
7.2841%	7.9%	6.9%	(1.0)%	(90.9)%	*
7.7500%	*	*	*	*	*

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>195%</u>	<u>350%</u>	<u>500%</u>
2.71691%	555.1%	555.1%	554.9%	493.7%	356.4%
3.28410%	420.6%	420.6%	420.1%	360.1%	235.7%
5.28410%	62.6%	62.6%	58.1%	(7.5)%	(94.8)%
5.77574%	*	*	*	*	*

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

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

<u>7-Year Treasury Index</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>340%</u>	<u>500%</u>	<u>650%</u>
2.57%	204.9%	204.9%	200.2%	184.2%	156.8%
4.57%	120.3%	120.2%	109.3%	86.8%	55.5%
6.57%	46.0%	44.7%	17.2%	(14.4)%	(48.4)%
8.00% and above	*	*	*	*	*

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

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

<u>7-Year Treasury Index</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>340%</u>	<u>500%</u>	<u>650%</u>
2.57%	69.5%	69.4%	66.7%	61.0%	52.4%
4.57%	42.5%	42.3%	37.1%	29.4%	19.4%
6.57%	16.0%	15.2%	5.3%	(4.8)%	(15.9)%
8.00% and above	*	*	*	*	*

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

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

7-Year Treasury Index	PSA Prepayment Assumption				
	50%	100%	340%	500%	650%
8.00% and below	41.0%	40.4%	30.8%	20.1%	8.0%
8.57%	24.2%	23.0%	11.1%	(0.2)%	(12.2)%
9.50%	*	*	*	*	*

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

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

- (a) multiplying the amount of the reduction, if any, of the principal balance of such Certificate from one Distribution Date to the next Distribution Date by the number of years from the Settlement Date to the second such Distribution Date,
- (b) summing the results, and
- (c) dividing the sum by the aggregate amount of the reductions in principal balance of such Certificate referred to in clause (a).

For a description of the factors which may influence the weighted average life of a Certificate, see “Description of the Certificates—Weighted Average Life and Final Distribution Date” in the REMIC Prospectus.

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the related Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including

- the timing of changes in such rate of principal payments,
- the priority sequence of distributions of principal of the Group 2 Classes,
- in the case of the Group 1, Group 3, Group 4, Group 5, Group 6 and Group 7 Classes, the priority sequences affecting distributions on the related Underlying REMIC Certificates, and
- in the case of certain Group 2 Classes, 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 these factors may differ as to various Classes and the effects on any Class may vary at different times during the life of that Class. Accordingly, we can give no assurance as to the weighted average life of any Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their 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 date 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. However, in the case of the information set forth for each Class under 0% PSA, we assumed that the underlying Mortgage Loans have the original and remaining terms to maturity and bear interest at the annual rates specified in the table 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>
Group 1 Underlying REMIC Certificates	360 months	356 months	9.0%
Trust MBS	360 months	360 months	9.0%
Group 3 Underlying REMIC Certificates	360 months	296 months	9.5%
Group 4 Underlying REMIC Certificates	360 months	297 months	9.5%
Group 5 Underlying REMIC Certificates	360 months	299 months	9.0%
Group 6 Underlying REMIC Certificates	360 months	357 months	9.0%
Group 7 Underlying REMIC Certificates	360 months	280 months	10.5%

It is unlikely

- that all of the underlying Mortgage Loans will have the interest rates, CAGEs or remaining terms to maturity assumed or
- that the underlying Mortgage Loans will prepay at any *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. This is the case even if the dispersion of weighted average remaining terms to maturity and the weighted average CAGEs of the Mortgage Loans are identical to the dispersion specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

Date	K and LL Classes					TM Class						AB, AC, AE, AD and AG Classes					
	PSA Prepayment Assumption					PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	215%	350%	500%	0%	65%	100%	214%	350%	500%	0%	65%	100%	214%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 1999	100	100	100	100	100	100	100	100	100	100	100	97	93	91	89	89	89
November 2000	100	100	100	100	100	99	95	95	95	95	95	97	91	84	69	69	44
November 2001	100	100	100	100	100	97	88	88	88	88	82	96	88	76	44	28	0
November 2002	100	100	100	100	100	96	81	81	81	80	57	96	86	69	24	0	0
November 2003	100	100	100	100	88	94	75	75	75	62	39	95	83	62	7	0	0
November 2004	100	100	100	100	60	92	68	68	68	48	27	94	81	56	0	0	0
November 2005	100	100	100	92	41	91	62	62	62	38	19	94	78	50	0	0	0
November 2006	100	100	100	71	28	88	56	56	56	29	13	93	76	45	0	0	0
November 2007	100	100	100	55	19	86	50	50	49	23	9	92	73	41	0	0	0
November 2008	100	100	100	42	13	84	45	45	42	17	6	91	71	37	0	0	0
November 2009	100	100	91	33	9	81	39	39	35	13	4	90	68	33	0	0	0
November 2010	100	100	77	25	6	78	34	34	30	10	3	89	66	30	0	0	0
November 2011	100	100	65	19	4	74	29	29	25	8	2	88	63	27	0	0	0
November 2012	100	100	55	15	3	71	24	24	21	6	1	87	61	25	0	0	0
November 2013	100	100	46	11	2	67	19	19	18	5	1	86	58	23	0	0	0
November 2014	100	100	38	8	1	62	14	14	15	3	1	85	56	21	0	0	0
November 2015	100	100	32	6	1	58	10	10	13	3	*	83	53	19	0	0	0
November 2016	100	99	26	5	1	52	5	5	10	2	*	82	50	18	0	0	0
November 2017	100	87	21	3	*	47	1	1	9	1	*	80	48	16	0	0	0
November 2018	100	76	17	3	*	40	0	0	7	1	*	79	38	9	0	0	0
November 2019	100	65	14	2	*	33	0	0	6	1	*	77	27	0	0	0	0
November 2020	100	55	11	1	*	26	0	0	4	1	*	75	16	0	0	0	0
November 2021	100	45	8	1	*	18	0	0	4	*	*	73	5	0	0	0	0
November 2022	100	36	6	1	*	9	0	0	3	*	*	71	0	0	0	0	0
November 2023	100	28	4	*	*	0	0	0	2	*	*	67	0	0	0	0	0
November 2024	100	20	3	*	*	0	0	0	1	*	*	44	0	0	0	0	0
November 2025	100	12	2	*	*	0	0	0	1	*	*	19	0	0	0	0	0
November 2026	71	4	1	*	*	0	0	0	1	*	*	0	0	0	0	0	0
November 2027	30	0	0	0	0	0	0	0	*	*	*	0	0	0	0	0	0
November 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.5	22.8	15.7	10.4	7.3	17.0	9.5	9.5	9.7	6.9	5.1	22.7	14.8	8.8	2.8	2.4	1.9

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

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

Date	ZA Class						B Class						Z Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	65%	100%	214%	350%	500%	0%	65%	100%	214%	350%	500%	0%	65%	100%	214%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 1999	107	107	107	0	0	0	100	100	100	100	79	38	107	107	107	107	0	0
November 2000	114	114	114	0	0	0	100	100	100	100	2	0	114	114	114	114	0	0
November 2001	121	121	121	0	0	0	100	100	100	100	0	0	121	121	121	121	0	0
November 2002	130	130	130	0	0	0	100	100	100	100	0	0	130	130	130	130	0	0
November 2003	138	138	138	0	0	0	100	100	100	100	0	0	138	138	138	138	0	0
November 2004	148	148	148	0	0	0	100	100	100	71	0	0	148	148	148	148	0	0
November 2005	157	157	157	0	0	0	100	100	100	21	0	0	157	157	157	157	0	0
November 2006	168	168	168	0	0	0	100	100	100	0	0	0	168	168	168	67	0	0
November 2007	179	179	179	0	0	0	100	100	100	0	0	0	179	179	179	0	0	0
November 2008	191	191	191	0	0	0	100	100	100	0	0	0	191	191	191	0	0	0
November 2009	204	204	204	0	0	0	100	100	100	0	0	0	204	204	204	0	0	0
November 2010	218	218	218	0	0	0	100	100	100	0	0	0	218	218	218	0	0	0
November 2011	232	232	232	0	0	0	100	100	100	0	0	0	232	232	232	0	0	0
November 2012	248	248	248	0	0	0	100	100	100	0	0	0	248	248	248	0	0	0
November 2013	264	264	264	0	0	0	100	100	100	0	0	0	264	264	264	0	0	0
November 2014	282	282	282	0	0	0	100	100	100	0	0	0	282	282	282	0	0	0
November 2015	301	301	301	0	0	0	100	100	100	0	0	0	301	301	301	0	0	0
November 2016	321	321	321	0	0	0	100	100	100	0	0	0	321	321	321	0	0	0
November 2017	343	343	343	0	0	0	100	100	100	0	0	0	343	343	343	0	0	0
November 2018	366	366	366	0	0	0	100	100	100	0	0	0	366	366	366	0	0	0
November 2019	390	390	386	0	0	0	100	100	100	0	0	0	390	390	390	0	0	0
November 2020	416	416	195	0	0	0	100	100	100	0	0	0	416	416	416	0	0	0
November 2021	444	444	12	0	0	0	100	100	100	0	0	0	444	444	444	0	0	0
November 2022	474	313	0	0	0	0	100	100	67	0	0	0	474	474	474	0	0	0
November 2023	506	71	0	0	0	0	100	100	34	0	0	0	506	506	506	0	0	0
November 2024	539	0	0	0	0	0	100	66	2	0	0	0	539	539	539	0	0	0
November 2025	576	0	0	0	0	0	100	19	0	0	0	0	576	576	391	0	0	0
November 2026	398	0	0	0	0	0	100	0	0	0	0	0	614	437	241	0	0	0
November 2027	0	0	0	0	0	0	40	0	0	0	0	0	655	183	99	0	0	0
November 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.2	24.4	22.0	0.6	0.5	0.4	29.0	26.4	24.6	6.5	1.4	0.9	29.7	28.6	27.9	8.0	0.4	0.2

Date	SC and SD Classes					SB Class					FC, SE†, C and SF† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	275%	350%	500%	0%	100%	275%	350%	500%	0%	100%	195%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 1999	97	97	56	36	13	100	100	68	49	18	100	100	100	70	31
November 2000	94	94	22	*	0	100	100	46	20	0	100	100	98	33	0
November 2001	90	90	0	0	0	100	100	31	4	0	100	100	88	8	0
November 2002	86	86	0	0	0	100	100	22	0	0	100	100	80	0	0
November 2003	82	82	0	0	0	100	100	15	0	0	100	100	74	0	0
November 2004	77	77	0	0	0	100	100	11	0	0	100	100	68	0	0
November 2005	72	72	0	0	0	100	100	7	0	0	100	100	61	0	0
November 2006	67	67	0	0	0	100	100	5	0	0	100	100	54	0	0
November 2007	61	57	0	0	0	100	100	3	0	0	100	100	48	0	0
November 2008	55	43	0	0	0	100	100	1	0	0	100	100	42	0	0
November 2009	48	28	0	0	0	100	100	*	0	0	100	100	37	0	0
November 2010	41	11	0	0	0	100	98	0	0	0	100	100	32	0	0
November 2011	33	0	0	0	0	100	89	0	0	0	100	98	27	0	0
November 2012	24	0	0	0	0	100	79	0	0	0	100	88	23	0	0
November 2013	15	0	0	0	0	100	69	0	0	0	100	78	19	0	0
November 2014	5	0	0	0	0	100	59	0	0	0	100	68	16	0	0
November 2015	0	0	0	0	0	100	49	0	0	0	100	59	13	0	0
November 2016	0	0	0	0	0	100	39	0	0	0	100	49	10	0	0
November 2017	0	0	0	0	0	100	29	0	0	0	100	40	8	0	0
November 2018	0	0	0	0	0	100	22	0	0	0	100	31	5	0	0
November 2019	0	0	0	0	0	100	15	0	0	0	100	22	3	0	0
November 2020	0	0	0	0	0	98	8	0	0	0	100	14	2	0	0
November 2021	0	0	0	0	0	63	2	0	0	0	75	6	*	0	0
November 2022	0	0	0	0	0	25	0	0	0	0	38	0	0	0	0
November 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	10.0	8.6	1.3	0.8	0.5	23.4	17.1	2.6	1.2	0.6	23.7	18.1	9.6	1.6	0.8

* 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	VA Class					VB Class					ZB Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	196%	350%	500%	0%	100%	196%	350%	500%	0%	100%	196%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 1999	93	93	93	93	93	100	100	100	100	100	107	107	107	107	107
November 2000	86	86	86	86	86	100	100	100	100	100	114	114	114	114	114
November 2001	79	79	79	79	79	100	100	100	100	100	121	121	121	121	121
November 2002	70	70	70	70	70	100	100	100	100	100	130	130	130	130	130
November 2003	62	62	62	62	62	100	100	100	100	100	138	138	138	138	138
November 2004	52	52	52	52	52	100	100	100	100	100	148	148	148	148	148
November 2005	43	43	43	43	43	100	100	100	100	100	157	157	157	157	157
November 2006	32	32	32	32	0	100	100	100	100	93	168	168	168	168	168
November 2007	21	21	21	21	0	100	100	100	100	0	179	179	179	179	152
November 2008	9	9	9	9	0	100	100	100	100	0	191	191	191	191	104
November 2009	0	0	0	0	0	93	93	93	63	0	204	204	204	204	71
November 2010	0	0	0	0	0	70	70	70	0	0	218	218	218	185	48
November 2011	0	0	0	0	0	44	44	44	0	0	232	232	232	142	33
November 2012	0	0	0	0	0	18	18	18	0	0	248	248	248	108	22
November 2013	0	0	0	0	0	0	0	0	0	0	258	233	233	82	15
November 2014	0	0	0	0	0	0	0	0	0	0	258	190	190	62	10
November 2015	0	0	0	0	0	0	0	0	0	0	258	154	154	47	7
November 2016	0	0	0	0	0	0	0	0	0	0	258	124	124	35	4
November 2017	0	0	0	0	0	0	0	0	0	0	258	99	99	26	3
November 2018	0	0	0	0	0	0	0	0	0	0	258	79	79	19	2
November 2019	0	0	0	0	0	0	0	0	0	0	258	62	62	14	1
November 2020	0	0	0	0	0	0	0	0	0	0	258	48	48	10	1
November 2021	0	0	0	0	0	0	0	0	0	0	258	36	36	7	*
November 2022	0	0	0	0	0	0	0	0	0	0	258	27	27	5	*
November 2023	0	0	0	0	0	0	0	0	0	0	161	19	19	3	*
November 2024	0	0	0	0	0	0	0	0	0	0	13	13	13	2	*
November 2025	0	0	0	0	0	0	0	0	0	0	8	8	8	1	*
November 2026	0	0	0	0	0	0	0	0	0	0	4	4	4	1	*
November 2027	0	0	0	0	0	0	0	0	0	0	1	1	1	*	*
November 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	6.0	6.0	6.0	6.0	5.5	12.8	12.8	12.8	11.1	8.3	25.3	18.8	18.8	15.1	11.3

Date	SG† Class					SH† Class					SI† Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	340%	500%	650%	0%	100%	340%	500%	650%	0%	100%	340%	500%	650%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 1999	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 2000	100	100	100	45	0	100	100	100	100	91	100	100	100	84	63
November 2001	100	100	48	0	0	100	100	100	82	54	100	100	84	57	38
November 2002	100	100	0	0	0	100	100	94	56	32	100	100	66	39	23
November 2003	100	100	0	0	0	100	100	73	38	19	100	100	51	27	14
November 2004	100	100	0	0	0	100	100	57	26	11	100	100	40	18	8
November 2005	100	93	0	0	0	100	100	44	18	7	100	98	31	12	5
November 2006	100	63	0	0	0	100	100	34	12	4	100	89	24	8	3
November 2007	100	35	0	0	0	100	100	26	8	2	100	80	18	6	2
November 2008	100	8	0	0	0	100	100	20	5	1	100	72	14	4	1
November 2009	100	0	0	0	0	100	92	15	4	1	100	65	10	3	1
November 2010	100	0	0	0	0	100	82	11	2	*	100	57	8	2	*
November 2011	100	0	0	0	0	100	72	8	2	*	100	50	6	1	*
November 2012	100	0	0	0	0	100	63	6	1	*	100	44	4	1	*
November 2013	100	0	0	0	0	100	54	4	1	*	100	38	3	*	*
November 2014	100	0	0	0	0	100	45	3	*	*	100	32	2	*	*
November 2015	79	0	0	0	0	100	37	2	*	*	94	26	2	*	*
November 2016	42	0	0	0	0	100	29	1	*	*	83	20	1	*	*
November 2017	1	0	0	0	0	100	21	1	*	*	70	15	1	*	*
November 2018	0	0	0	0	0	81	14	1	*	*	57	10	*	*	*
November 2019	0	0	0	0	0	60	7	*	*	*	42	5	*	*	*
November 2020	0	0	0	0	0	36	1	*	*	*	25	1	*	*	*
November 2021	0	0	0	0	0	9	*	*	0	0	7	*	*	0	0
November 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	17.8	8.5	3.0	2.0	1.5	21.4	15.7	7.5	5.1	3.8	20.3	13.5	6.2	4.2	3.1

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

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

† 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. If any assets of the Trust remain after the principal balances of all Classes are reduced to zero, we will pay the Holder of the R Class the proceeds from those assets. If any assets of the Lower Tier REMIC remain after the principal balances of the Lower Tier Regular Interests are reduced to zero, we will pay the proceeds of those assets to the Holder of the RL Class. Fannie Mae does not expect that any material assets will remain in either case.

The R and RL Classes will be subject to certain transfer restrictions. We will not permit transfer of record or beneficial ownership of an R or RL Certificate to a “disqualified organization.” In addition, we will not permit transfer of record or beneficial ownership of an R or RL Certificate to any person that is not a “U.S. Person” without our written consent. Treasury Department regulations (the “Regulations”) provide that 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, we will be obligated to provide to these Holders (i) information 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 Certificates and payments on the Certificates are not generally exempt from taxation. Therefore, you should consider the tax consequences of holding a Certificate before you acquire one. The following tax discussion supplements the discussion under the caption “Certain Federal Income Tax Consequences” in the REMIC Prospectus. When read together, the two discussions describe the current federal income tax treatment of beneficial owners of Certificates. These two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of beneficial owners, some of which may be subject to special rules. In addition, these discussions may not apply to your particular circumstances for one of the reasons explained in the REMIC Prospectus. You should consult your own tax advisors regarding the federal income tax consequences of holding and disposing of Certificates as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

REMIC Elections and Special Tax Attributes

We will elect to treat the Lower Tier REMIC and the Trust as REMICs for federal income tax purposes. 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 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.

Because the Lower Tier REMIC and the Trust will qualify as REMICs, the Certificates generally will be treated as “regular or residual interests in a REMIC” for domestic building and loan associations, “real estate assets” for real estate investment trusts, and, except for the R and

RL Classes, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—*REMIC Election and Special Tax Attributes*” in the REMIC Prospectus.

Under the Regulations, a REMIC may issue its regular and residual interests over any ten-day period and designate any of those ten days as the REMIC’s startup day. Fannie Mae intends to designate November 27, 1998, the settlement date for the K and LL Classes, as the startup day for the Lower Tier REMIC and the Trust.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes and the Accrual Classes will be issued with original issue discount (“OID”), and certain other Classes of Certificates may be issued with OID. If a Class is issued with OID, a beneficial owner of a Certificate of that Class generally must recognize some taxable income in advance of the receipt of the cash attributable to that income. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount” in the REMIC Prospectus. In addition, certain Classes of Certificates may be treated as having been issued at a premium. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Regular Certificates Purchased at a Premium” in the REMIC Prospectus.

The Prepayment Assumptions that will be used in determining the rate of accrual of OID will be as follows:

<u>Certificate Group</u>	<u>PSA Prepayment Assumption</u>
1	215%
2	214%
3	275%
4	275%
5	195%
6	196%
7	340%

See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount—*Daily Portions of Original Issue Discount*” in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at any of those rates or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” in this prospectus supplement and “Description of the Certificates—Weighted Average Life and Final Distribution Date” in the REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

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 6.00% (which is 120% of the “federal long-term rate”). See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*—Treatment of Excess Inclusions” and “—*Foreign Investors*—Residual Certificates” in the REMIC Prospectus.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the Certificates to PaineWebber Incorporated (the “Dealer”) in exchange for the Trust MBS and the Underlying REMIC Certificates. 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 these transactions to or through other dealers.

Increase in Certificates. Before the settlement date, we and the Dealer may agree to offer Group 2 Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the Trust MBS in principal balance, but we expect that all these additional

Trust MBS will have the same characteristics as described under “Description of the Certificates—The Trust MBS.” The proportion that the original principal balance of each Group 2 Class bears to the aggregate original principal balance of all Group 2 Classes, respectively, will remain the same. In addition, the dollar amounts shown in the Principal Balance Schedules will be increased to correspond to the increase of the principal balances of the applicable Classes.

LEGAL MATTERS

Brown & Wood LLP will provide legal representation for Fannie Mae. Cleary, Gottlieb, Steen & Hamilton will provide legal representation for the Dealer.

Exhibit A

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 or Notional Principal Balance of Class	November 1998 Class Factor	Original Principal Balance or Notional 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
1998-47	DB	July 1998	31359UEM3	6.5%	FIX	August 2028	SEQ	\$ 24,000,000	1.00000000	\$24,000,000	7.318%	344	13	MBS	1
1996-54	N	November 1996	31359K3T2	(3)	PO	July 2023	SC	10,365,661	0.67866111	7,034,771	7.496	281	65	MBS	3
1996-54	SN	November 1996	31359K3U9	(2)	INV/IO	July 2023	NTL	10,365,661	0.67866111	7,034,771	7.496	281	65	MBS	3
1993-136	SA	July 1993	31359BSZ1	(2)	INV/IO	July 2023	NTL	107,545,263	0.60050613	6,005,061	7.496	281	65	MBS	3
1997-59	E	August 1997	31359QRP1	(3)	PO	August 2023	SC	4,675,451	0.87745751	4,102,509	7.558	280	66	MBS	4
1997-94	SD	December 1997	31359RRV6	(2)	INV/IO	August 2023	NTL	3,988,333	0.87745751	3,499,592	7.558	280	66	MBS	4
1996-27	FE	July 1996	31359KNG8	(2)	FLT/IO	October 2023	NTL	12,750,000	1.00000000	12,750,000	7.106	285	63	MBS	5
1993-201	SA	October 1993	31359ESM4	(2)	INV	October 2023	SUP	30,000,000	0.98842175	3,503,955	7.106	285	63	MBS	5
1993-201	SE	October 1993	31359ESN2	(2)	INV	December 2022	SUP	24,700,000	0.97684349	1,001,264	7.106	285	63	MBS	5
1993-201	SG	October 1993	31359ESP7	(2)	INV	October 2023	SUP	24,700,000	1.00000000	1,025,000	7.106	285	63	MBS	5
1998-58	PX	September 1998	31359UZX4	6.5	FIX	September 2028	SC/PT	72,255,000	1.00000000	61,932,000	7.175	353	6	MBS	6
1998-01	SO	January 1998	31359RXH0	(2)	INV/IO	March 2022	NTL	41,333,307	1.00000000	41,333,307	8.751	265	83	MBS	7

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

(2) These Classes bear interest during their respective interest accrual periods, subject to the applicable maximum and minimum interest rates, as further described in the related Underlying REMIC Disclosure Documents.

(3) These Classes are Principal Only Classes and bear no interest.

Principal Balance Schedules

<u>Distribution Date</u>	<u>TM Class Targeted Balance</u>	<u>Segment Group II First Targeted Balance</u>	<u>Segment Group II Second Targeted Balance</u>	<u>Segment Group II Third Targeted Balance</u>
Initial Balance	\$250,000,000.00	\$130,720,000.00	\$130,720,000.00	\$130,720,000.00
December 1998	250,000,000.00	130,052,812.25	130,043,570.88	130,043,570.88
January 1999	250,000,000.00	129,302,951.28	129,281,683.53	129,281,683.53
February 1999	250,000,000.00	128,470,626.73	128,434,555.75	128,434,555.75
March 1999	250,000,000.00	127,556,097.46	127,502,457.96	127,502,457.96
April 1999	250,000,000.00	126,559,671.44	126,485,713.08	126,485,713.08
May 1999	250,000,000.00	125,481,705.70	125,384,696.44	125,384,696.44
June 1999	250,000,000.00	124,322,606.13	124,199,835.64	124,199,835.64
July 1999	250,000,000.00	123,082,827.33	122,931,610.29	122,931,610.29
August 1999	250,000,000.00	121,762,872.28	121,580,551.76	121,580,551.76
September 1999	250,000,000.00	120,363,292.14	120,147,242.86	120,147,242.86
October 1999	250,000,000.00	118,884,685.82	118,632,317.44	118,261,232.42
November 1999	250,000,000.00	117,327,699.61	117,036,460.00	115,784,114.92
December 1999	249,083,732.57	116,609,294.18	116,276,672.58	114,085,837.16
January 2000	248,128,577.03	115,852,829.92	115,476,360.09	112,291,210.00
February 2000	247,134,792.46	115,058,833.31	114,636,096.65	110,402,314.40
March 2000	246,102,651.04	114,227,863.08	113,756,491.68	108,421,365.01
April 2000	245,032,437.92	113,360,509.68	112,838,189.25	106,350,706.83
May 2000	243,924,451.10	112,457,394.68	111,881,867.55	104,192,811.68
June 2000	242,779,001.27	111,519,170.28	110,888,238.17	101,950,274.34
July 2000	241,596,411.73	110,546,518.55	109,858,045.40	99,625,808.53
August 2000	240,377,018.16	109,540,150.88	108,792,065.51	97,222,242.48
September 2000	239,121,168.53	108,500,807.19	107,691,105.93	94,742,514.47
October 2000	237,829,222.93	107,429,255.28	106,556,004.46	92,189,667.93
November 2000	236,501,553.36	106,326,289.97	105,387,628.39	89,566,846.47
December 2000	235,138,543.60	105,192,732.37	104,186,873.60	86,877,288.63
January 2001	233,745,900.43	104,034,887.49	102,960,485.20	84,138,524.43
February 2001	232,330,028.83	102,859,708.06	101,715,895.48	81,369,555.57
March 2001	230,897,263.30	101,673,992.61	100,460,368.13	78,588,738.34
April 2001	229,447,819.77	100,478,181.65	99,194,382.42	75,797,676.98
May 2001	228,000,042.11	99,291,308.22	97,938,244.83	73,046,240.84
June 2001	226,556,205.04	98,115,671.98	96,694,404.64	70,340,132.26
July 2001	225,116,293.38	96,951,193.43	95,462,772.37	67,678,792.26
August 2001	223,680,291.99	95,797,793.54	94,243,259.13	65,061,668.40
September 2001	222,248,185.81	94,655,393.77	93,035,776.60	62,488,214.72
October 2001	220,819,959.79	93,523,916.09	91,840,237.06	59,957,891.62
November 2001	219,395,598.93	92,403,282.97	90,656,553.35	57,470,165.84
December 2001	217,975,088.29	91,293,417.36	89,484,638.87	55,024,510.36
January 2002	216,558,412.95	90,194,242.70	88,324,407.58	52,620,404.32
February 2002	215,145,558.07	89,105,682.91	87,175,774.05	50,257,332.98
March 2002	213,736,508.81	88,027,662.38	86,038,653.34	47,934,787.60
April 2002	212,331,250.41	86,960,106.03	84,912,961.12	45,652,265.45
May 2002	210,929,768.14	85,902,939.17	83,798,613.58	43,409,269.64
June 2002	209,532,047.29	84,856,087.64	82,695,527.44	41,205,309.16
July 2002	208,138,073.24	83,819,477.74	81,603,620.02	39,039,898.69
August 2002	206,747,831.38	82,793,036.23	80,522,809.13	36,912,558.67
September 2002	205,361,307.14	81,776,690.32	79,453,013.13	34,822,815.12
October 2002	203,978,486.02	80,770,367.69	78,394,150.93	32,770,199.64
November 2002	202,599,353.54	79,773,996.48	77,346,141.94	30,754,249.33
December 2002	201,223,895.26	78,787,505.29	76,308,906.12	28,774,506.71
January 2003	199,852,096.80	77,810,823.15	75,282,363.93	26,830,519.68

<u>Distribution Date</u>	<u>TM Class Targeted Balance</u>	<u>Segment Group II First Targeted Balance</u>	<u>Segment Group II Second Targeted Balance</u>	<u>Segment Group II Third Targeted Balance</u>
February 2003	\$198,483,943.81	\$ 76,843,879.55	\$ 74,266,436.35	\$ 24,921,841.46
March 2003	197,119,421.99	75,886,604.41	73,261,044.91	23,048,030.49
April 2003	195,758,517.07	74,938,928.11	72,266,111.61	21,208,650.43
May 2003	194,401,214.83	74,000,781.47	71,281,558.98	19,403,270.04
June 2003	193,047,501.08	73,072,095.72	70,307,310.03	17,631,463.18
July 2003	191,697,361.69	72,152,802.55	69,343,288.32	15,892,808.68
August 2003	190,350,782.57	71,242,834.08	68,389,417.86	14,186,890.37
September 2003	189,007,749.65	70,342,122.83	67,445,623.17	12,513,296.93
October 2003	187,668,248.91	69,450,601.76	66,483,460.53	10,871,621.92
November 2003	186,332,266.38	68,568,204.28	65,499,104.58	9,261,463.64
December 2003	184,999,788.13	67,694,864.17	64,526,849.13	7,682,425.17
January 2004	183,670,800.26	66,830,515.66	63,566,600.43	6,134,114.22
February 2004	182,345,288.92	65,975,093.38	62,618,265.41	4,616,143.13
March 2004	181,023,240.28	65,128,532.38	61,681,751.63	3,128,128.83
April 2004	179,704,640.59	64,290,768.10	60,756,967.36	1,669,692.74
May 2004	178,389,476.09	63,461,736.41	59,843,821.50	240,460.74
June 2004	177,077,733.10	62,641,373.57	58,942,223.63	0.00
July 2004	175,769,397.96	61,829,616.23	58,052,083.98	0.00
August 2004	174,464,457.06	61,026,401.48	57,173,313.39	0.00
September 2004	173,162,896.81	60,231,666.73	56,305,823.40	0.00
October 2004	171,864,703.68	59,445,349.85	55,449,526.13	0.00
November 2004	170,569,864.17	58,667,389.08	54,604,334.38	0.00
December 2004	169,278,364.82	57,897,723.04	53,770,161.57	0.00
January 2005	167,990,192.20	57,136,290.74	52,946,921.70	0.00
February 2005	166,705,332.95	56,383,031.57	52,134,529.46	0.00
March 2005	165,423,773.69	55,637,885.29	51,332,900.10	0.00
April 2005	164,145,501.15	54,900,792.07	50,541,949.51	0.00
May 2005	162,870,502.03	54,171,692.42	49,761,594.18	0.00
June 2005	161,598,763.12	53,450,527.23	48,991,751.19	0.00
July 2005	160,330,271.22	52,737,237.76	48,232,338.25	0.00
August 2005	159,065,013.17	52,031,765.66	47,483,273.63	0.00
September 2005	157,802,975.86	51,334,052.92	46,744,476.22	0.00
October 2005	156,544,146.21	50,644,041.90	46,015,865.46	0.00
November 2005	155,288,511.17	49,961,675.32	45,297,361.41	0.00
December 2005	154,036,057.73	49,286,896.25	44,588,884.68	0.00
January 2006	152,786,772.94	48,619,648.13	43,890,356.48	0.00
February 2006	151,540,643.85	47,959,874.75	43,201,698.57	0.00
March 2006	150,297,657.56	47,307,520.24	42,522,833.26	0.00
April 2006	149,057,801.23	46,662,529.08	41,853,683.46	0.00
May 2006	147,821,062.03	46,024,846.12	41,194,172.62	0.00
June 2006	146,587,427.17	45,394,416.52	40,544,224.73	0.00
July 2006	145,356,883.90	44,771,185.79	39,903,764.35	0.00
August 2006	144,129,419.51	44,155,099.80	39,272,716.58	0.00
September 2006	142,905,021.31	43,546,104.73	38,651,007.06	0.00
October 2006	141,683,676.67	42,944,147.13	38,038,561.97	0.00
November 2006	140,465,372.98	42,349,173.83	37,435,308.01	0.00
December 2006	139,250,097.67	41,761,132.03	36,841,172.44	0.00
January 2007	138,037,838.20	41,179,969.24	36,256,083.03	0.00
February 2007	136,828,582.06	40,605,633.33	35,679,968.06	0.00
March 2007	135,622,316.80	40,038,072.43	35,112,756.36	0.00
April 2007	134,419,029.98	39,477,235.06	34,554,377.24	0.00

<u>Distribution Date</u>	<u>TM Class Targeted Balance</u>	<u>Segment Group II First Targeted Balance</u>	<u>Segment Group II Second Targeted Balance</u>	<u>Segment Group II Third Targeted Balance</u>
May 2007	\$133,218,709.20	\$ 38,923,070.01	\$ 34,004,760.57	\$ 0.00
June 2007	132,021,342.11	38,375,526.41	33,463,836.66	0.00
July 2007	130,826,916.38	37,834,553.69	32,931,536.39	0.00
August 2007	129,635,419.70	37,300,101.62	32,407,791.12	0.00
September 2007	128,446,839.84	36,772,120.24	31,892,532.68	0.00
October 2007	127,261,164.55	36,250,559.94	31,385,693.44	0.00
November 2007	126,078,381.66	35,735,371.39	30,887,206.23	0.00
December 2007	124,898,478.99	35,226,505.58	30,397,004.38	0.00
January 2008	123,721,444.44	34,723,913.78	29,915,021.68	0.00
February 2008	122,547,265.92	34,227,547.60	29,441,192.43	0.00
March 2008	121,375,931.36	33,737,358.89	28,975,451.40	0.00
April 2008	120,207,428.74	33,253,299.86	28,517,733.83	0.00
May 2008	119,041,746.08	32,775,322.97	28,067,975.43	0.00
June 2008	117,878,871.42	32,303,380.98	27,626,112.36	0.00
July 2008	116,718,792.83	31,837,426.95	27,192,081.28	0.00
August 2008	115,561,498.44	31,377,414.24	26,765,819.27	0.00
September 2008	114,406,976.37	30,923,296.47	26,347,263.91	0.00
October 2008	113,255,214.81	30,475,027.54	25,936,353.18	0.00
November 2008	112,106,201.96	30,032,561.68	25,533,025.58	0.00
December 2008	110,959,926.07	29,595,853.34	25,137,219.98	0.00
January 2009	109,816,375.40	29,164,857.29	24,748,875.74	0.00
February 2009	108,675,538.26	28,739,528.56	24,367,932.67	0.00
March 2009	107,537,402.99	28,319,822.46	23,994,330.98	0.00
April 2009	106,401,957.96	27,905,694.57	23,628,011.34	0.00
May 2009	105,269,191.56	27,497,100.74	23,268,914.85	0.00
June 2009	104,139,092.24	27,093,997.09	22,916,983.03	0.00
July 2009	103,011,648.44	26,696,340.01	22,572,157.83	0.00
August 2009	101,886,848.67	26,304,086.15	22,234,381.61	0.00
September 2009	100,764,681.46	25,917,192.43	21,903,597.17	0.00
October 2009	99,645,135.35	25,535,616.04	21,579,747.72	0.00
November 2009	98,528,198.95	25,159,314.40	21,262,776.87	0.00
December 2009	97,413,860.86	24,788,245.21	20,952,628.65	0.00
January 2010	96,302,109.74	24,422,366.43	20,649,247.50	0.00
February 2010	95,192,934.27	24,061,636.25	20,352,578.27	0.00
March 2010	94,086,323.16	23,706,013.15	20,062,566.18	0.00
April 2010	92,982,265.16	23,355,455.83	19,779,156.88	0.00
May 2010	91,880,749.02	23,009,923.26	19,502,296.42	0.00
June 2010	90,781,763.57	22,669,374.63	19,231,931.22	0.00
July 2010	89,685,297.62	22,333,769.42	18,968,008.08	0.00
August 2010	88,591,340.05	22,003,067.29	18,710,474.23	0.00
September 2010	87,499,879.73	21,677,228.20	18,459,277.27	0.00
October 2010	86,410,905.61	21,356,212.33	18,214,365.13	0.00
November 2010	85,324,406.62	21,039,980.10	17,975,686.21	0.00
December 2010	84,240,371.74	20,728,492.15	17,743,189.20	0.00
January 2011	83,158,790.00	20,421,709.38	17,516,823.22	0.00
February 2011	82,079,650.42	20,119,592.93	17,296,537.73	0.00
March 2011	81,002,942.08	19,822,104.13	17,082,282.57	0.00
April 2011	79,928,654.08	19,529,204.58	16,874,007.95	0.00
May 2011	78,856,775.53	19,240,856.10	16,671,664.44	0.00
June 2011	77,787,295.61	18,957,020.73	16,475,202.96	0.00
July 2011	76,720,203.48	18,677,660.73	16,284,574.80	0.00

<u>Distribution Date</u>	<u>TM Class Targeted Balance</u>	<u>Segment Group II First Targeted Balance</u>	<u>Segment Group II Second Targeted Balance</u>	<u>Segment Group II Third Targeted Balance</u>
August 2011	\$ 75,655,488.37	\$ 18,402,738.59	\$ 16,099,731.59	\$ 0.00
September 2011	74,593,139.51	18,132,217.03	15,920,625.33	0.00
October 2011	73,533,146.19	17,866,059.00	15,747,208.37	0.00
November 2011	72,475,497.68	17,604,227.64	15,579,433.38	0.00
December 2011	71,420,183.32	17,346,686.33	15,417,253.40	0.00
January 2012	70,367,192.47	17,093,398.63	15,260,621.81	0.00
February 2012	69,316,514.50	16,844,328.38	15,109,492.33	0.00
March 2012	68,268,138.83	16,599,439.58	14,963,818.99	0.00
April 2012	67,222,054.90	16,358,696.44	14,823,556.20	0.00
May 2012	66,178,252.16	16,122,063.42	14,688,658.68	0.00
June 2012	65,136,720.11	15,889,505.15	14,559,081.46	0.00
July 2012	64,097,448.27	15,660,986.49	14,434,779.93	0.00
August 2012	63,060,426.20	15,436,472.49	14,315,709.79	0.00
September 2012	62,025,643.45	15,215,928.41	14,201,827.08	0.00
October 2012	60,993,089.64	14,999,319.71	14,093,088.12	0.00
November 2012	59,962,754.40	14,786,612.06	13,989,449.58	0.00
December 2012	58,934,627.37	14,577,771.31	13,890,868.45	0.00
January 2013	57,908,698.24	14,372,763.53	13,797,302.01	0.00
February 2013	56,884,956.72	14,171,554.98	13,708,707.87	0.00
March 2013	55,863,392.55	13,974,112.08	13,625,043.94	0.00
April 2013	54,843,995.48	13,780,401.51	13,546,268.44	0.00
May 2013	53,826,755.30	13,590,390.09	13,472,339.90	0.00
June 2013	52,811,661.83	13,404,044.85	13,403,217.13	0.00
July 2013	51,798,704.91	13,221,332.99	13,338,859.28	0.00
August 2013	50,787,874.40	13,042,221.93	13,279,225.73	0.00
September 2013	49,779,160.20	12,866,679.26	13,219,450.01	0.00
October 2013	48,772,552.22	12,694,672.74	13,159,350.50	0.00
November 2013	47,768,040.41	12,526,170.33	13,098,925.46	0.00
December 2013	46,765,614.73	12,361,140.18	13,038,173.11	0.00
January 2014	45,765,265.18	12,199,550.60	12,977,091.68	0.00
February 2014	44,766,981.78	12,041,370.09	12,915,679.40	0.00
March 2014	43,770,754.57	11,886,567.33	12,853,934.47	0.00
April 2014	42,776,573.62	11,735,111.18	12,791,855.08	0.00
May 2014	41,784,429.04	11,586,970.64	12,729,439.43	0.00
June 2014	40,794,310.93	11,442,114.94	12,666,685.70	0.00
July 2014	39,806,209.45	11,300,513.45	12,603,592.05	0.00
August 2014	38,820,114.76	11,158,562.71	12,540,156.64	0.00
September 2014	37,836,017.06	11,015,843.07	12,476,377.63	0.00
October 2014	36,853,906.56	10,872,350.36	12,412,253.14	0.00
November 2014	35,873,773.52	10,728,080.40	12,347,781.32	0.00
December 2014	34,895,608.19	10,583,028.98	12,282,960.28	0.00
January 2015	33,919,400.87	10,437,191.87	12,217,788.11	0.00
February 2015	32,945,141.87	10,290,564.80	12,152,262.93	0.00
March 2015	31,972,821.54	10,143,143.50	12,086,382.83	0.00
April 2015	31,002,430.24	9,994,923.68	12,020,145.88	0.00
May 2015	30,033,958.35	9,845,900.99	11,953,550.13	0.00
June 2015	29,067,396.29	9,696,071.10	11,886,593.67	0.00
July 2015	28,102,734.49	9,545,429.63	11,819,274.52	0.00
August 2015	27,139,963.41	9,393,972.18	11,751,590.73	0.00
September 2015	26,179,073.54	9,241,694.34	11,683,540.32	0.00
October 2015	25,220,055.37	9,088,591.66	11,615,121.29	0.00

<u>Distribution Date</u>	<u>TM Class Targeted Balance</u>	<u>Segment Group II First Targeted Balance</u>	<u>Segment Group II Second Targeted Balance</u>	<u>Segment Group II Third Targeted Balance</u>
November 2015	\$ 24,262,899.44	\$ 8,934,659.68	\$ 11,546,331.67	\$ 0.00
December 2015	23,307,596.30	8,779,893.89	11,477,169.43	0.00
January 2016	22,354,136.52	8,624,289.80	11,407,632.58	0.00
February 2016	21,402,510.70	8,467,842.84	11,337,719.06	0.00
March 2016	20,452,709.46	8,310,548.47	11,267,426.84	0.00
April 2016	19,504,723.44	8,152,402.08	11,196,753.87	0.00
May 2016	18,558,543.32	7,993,399.08	11,125,698.09	0.00
June 2016	17,614,159.77	7,833,534.79	11,054,257.43	0.00
July 2016	16,671,563.51	7,672,804.58	10,982,429.79	0.00
August 2016	15,730,745.28	7,511,203.75	10,910,213.09	0.00
September 2016	14,791,695.82	7,348,727.58	10,837,605.22	0.00
October 2016	13,854,405.92	7,185,371.33	10,764,604.04	0.00
November 2016	12,918,866.38	7,021,130.24	10,691,207.46	0.00
December 2016	11,985,068.01	6,855,999.51	10,617,413.30	0.00
January 2017	11,053,001.67	6,689,974.32	10,543,219.43	0.00
February 2017	10,122,658.21	6,523,049.82	10,468,623.67	0.00
March 2017	9,194,028.52	6,355,221.15	10,393,623.85	0.00
April 2017	8,267,103.52	6,186,483.41	10,318,217.78	0.00
May 2017	7,341,874.14	6,016,831.68	10,242,403.27	0.00
June 2017	6,418,331.31	5,846,260.98	10,166,178.08	0.00
July 2017	5,496,466.03	5,674,766.38	10,089,540.03	0.00
August 2017	4,576,269.28	5,502,342.84	10,012,486.83	0.00
September 2017	3,657,732.08	5,328,985.34	9,935,016.28	0.00
October 2017	2,740,845.46	5,154,688.83	9,857,126.08	0.00
November 2017	1,825,600.49	4,979,448.20	9,778,813.98	0.00
December 2017	911,988.23	4,803,258.35	9,700,077.70	0.00
January 2018	0.00	4,626,114.14	9,620,914.93	0.00
February 2018	0.00	4,448,010.41	9,541,323.35	0.00
March 2018	0.00	4,268,941.94	9,461,300.66	0.00
April 2018	0.00	4,088,903.52	9,380,844.50	0.00
May 2018	0.00	3,907,889.89	9,299,952.55	0.00
June 2018	0.00	3,252,561.43	9,218,622.43	0.00
July 2018	0.00	2,331,778.06	9,136,851.77	0.00
August 2018	0.00	1,414,495.50	9,054,638.18	0.00
September 2018	0.00	500,681.43	8,971,979.28	0.00
October 2018	0.00	0.00	8,888,872.64	0.00
November 2018	0.00	0.00	8,436,345.44	0.00
December 2018	0.00	0.00	7,712,031.81	0.00
January 2019	0.00	0.00	6,991,867.31	0.00
February 2019	0.00	0.00	6,275,818.15	0.00
March 2019	0.00	0.00	5,563,850.74	0.00
April 2019	0.00	0.00	4,855,931.69	0.00
May 2019	0.00	0.00	4,152,027.79	0.00
June 2019	0.00	0.00	3,452,106.04	0.00
July 2019	0.00	0.00	2,756,133.63	0.00
August 2019	0.00	0.00	2,064,077.93	0.00
September 2019	0.00	0.00	1,375,906.50	0.00
October 2019	0.00	0.00	691,587.10	0.00
November 2019	0.00	0.00	11,087.68	0.00
December 2019 and thereafter	0.00	0.00	0.00	0.00

<u>Distribution Date</u>	<u>ZA Class First Targeted Balance</u>	<u>ZA Class Second Targeted Balance</u>	<u>B Class Targeted Balance</u>	<u>Segment Group I Targeted Balance</u>
Initial Balance	\$5,250,000.00	\$5,250,000.00	\$26,455,000.00	\$162,425,000.00
December 1998	5,255,321.72	5,060,447.52	26,455,000.00	161,559,018.40
January 1999	5,253,830.79	4,805,327.13	26,455,000.00	160,542,010.66
February 1999	5,245,548.62	4,484,840.19	26,455,000.00	159,374,395.94
March 1999	5,230,505.58	4,099,300.26	26,455,000.00	158,056,758.21
April 1999	5,208,740.96	3,649,133.26	26,455,000.00	156,589,846.33
May 1999	5,180,303.06	3,134,877.50	26,455,000.00	154,974,573.94
June 1999	5,145,249.03	2,557,183.34	26,455,000.00	153,212,018.98
July 1999	5,103,644.95	1,916,812.65	26,455,000.00	151,303,422.94
August 1999	5,055,565.68	1,214,638.07	26,455,000.00	149,250,189.82
September 1999	5,001,094.87	451,641.92	26,455,000.00	147,053,884.77
October 1999	4,940,324.78	0.00	26,455,000.00	144,716,232.41
November 1999	4,873,356.31	0.00	26,455,000.00	142,239,114.91
December 1999	4,800,298.77	0.00	26,455,000.00	140,540,837.15
January 2000	4,721,269.78	0.00	26,455,000.00	138,746,209.99
February 2000	4,636,395.21	0.00	26,455,000.00	136,857,314.39
March 2000	4,545,808.90	0.00	26,455,000.00	134,876,365.00
April 2000	4,449,652.59	0.00	26,455,000.00	132,805,706.81
May 2000	4,348,075.69	0.00	26,455,000.00	130,647,811.65
June 2000	4,241,235.11	0.00	26,455,000.00	128,405,274.32
July 2000	4,129,295.01	0.00	26,455,000.00	126,080,808.50
August 2000	4,012,426.64	0.00	26,455,000.00	123,677,242.46
September 2000	3,890,808.07	0.00	26,455,000.00	121,197,514.44
October 2000	3,764,623.93	0.00	26,455,000.00	118,644,667.89
November 2000	3,634,065.23	0.00	26,455,000.00	116,021,846.43
December 2000	3,499,328.98	0.00	26,455,000.00	113,332,288.60
January 2001	3,361,523.33	0.00	26,455,000.00	110,593,524.38
February 2001	3,221,853.04	0.00	26,455,000.00	107,824,555.52
March 2001	3,081,484.82	0.00	26,455,000.00	105,043,738.30
April 2001	2,940,520.15	0.00	26,455,000.00	102,252,676.93
May 2001	2,802,138.55	0.00	26,455,000.00	99,501,240.78
June 2001	2,666,711.50	0.00	26,455,000.00	96,795,132.20
July 2001	2,534,212.09	0.00	26,455,000.00	94,133,792.19
August 2001	2,404,613.68	0.00	26,455,000.00	91,516,668.33
September 2001	2,277,889.86	0.00	26,455,000.00	88,943,214.64
October 2001	2,154,014.46	0.00	26,455,000.00	86,412,891.54
November 2001	2,032,961.58	0.00	26,455,000.00	83,925,165.75
December 2001	1,914,705.53	0.00	26,455,000.00	81,479,510.27
January 2002	1,799,220.87	0.00	26,455,000.00	79,075,404.22
February 2002	1,686,482.41	0.00	26,455,000.00	76,712,332.87
March 2002	1,576,465.18	0.00	26,455,000.00	74,389,787.50
April 2002	1,469,144.46	0.00	26,455,000.00	72,107,265.34
May 2002	1,364,495.73	0.00	26,455,000.00	69,864,269.53
June 2002	1,262,494.74	0.00	26,455,000.00	67,660,309.04
July 2002	1,163,117.45	0.00	26,455,000.00	65,494,898.57
August 2002	1,066,340.03	0.00	26,455,000.00	63,367,558.54
September 2002	972,138.91	0.00	26,455,000.00	61,277,814.99
October 2002	880,490.71	0.00	26,455,000.00	59,225,199.51
November 2002	791,372.28	0.00	26,455,000.00	57,209,249.19
December 2002	704,760.70	0.00	26,455,000.00	55,229,506.57
January 2003	620,633.27	0.00	26,455,000.00	53,285,519.53

<u>Distribution Date</u>	<u>ZA Class First Targeted Balance</u>	<u>ZA Class Second Targeted Balance</u>	<u>B Class Targeted Balance</u>	<u>Segment Group I Targeted Balance</u>
February 2003	\$ 538,967.48	\$ 0.00	\$26,455,000.00	\$ 51,376,841.30
March 2003	459,741.05	0.00	26,455,000.00	49,503,030.33
April 2003	382,931.93	0.00	26,455,000.00	47,663,650.27
May 2003	308,518.27	0.00	26,455,000.00	45,858,269.88
June 2003	236,478.40	0.00	26,455,000.00	44,086,463.01
July 2003	166,790.89	0.00	26,455,000.00	42,347,808.51
August 2003	99,434.52	0.00	26,455,000.00	40,641,890.19
September 2003	34,388.25	0.00	26,455,000.00	38,968,296.75
October 2003	0.00	0.00	26,455,000.00	37,326,621.73
November 2003	0.00	0.00	26,455,000.00	35,716,463.45
December 2003	0.00	0.00	26,455,000.00	34,137,424.97
January 2004	0.00	0.00	26,455,000.00	32,589,114.02
February 2004	0.00	0.00	26,455,000.00	31,071,142.93
March 2004	0.00	0.00	26,455,000.00	29,583,128.62
April 2004	0.00	0.00	26,455,000.00	28,124,692.53
May 2004	0.00	0.00	26,455,000.00	26,695,460.52
June 2004	0.00	0.00	25,295,063.14	25,295,062.92
July 2004	0.00	0.00	23,923,134.60	23,923,134.37
August 2004	0.00	0.00	22,580,264.99	22,579,313.84
September 2004	0.00	0.00	21,266,228.76	21,263,244.57
October 2004	0.00	0.00	19,980,652.70	19,974,573.98
November 2004	0.00	0.00	18,723,168.12	18,712,953.67
December 2004	0.00	0.00	17,493,410.78	17,478,039.37
January 2005	0.00	0.00	16,291,020.89	16,269,490.84
February 2005	0.00	0.00	15,115,643.01	15,086,971.89
March 2005	0.00	0.00	13,966,926.00	13,930,150.28
April 2005	0.00	0.00	12,844,522.98	12,798,697.73
May 2005	0.00	0.00	11,748,091.31	11,692,289.79
June 2005	0.00	0.00	10,677,292.48	10,610,605.89
July 2005	0.00	0.00	9,631,792.10	9,553,329.25
August 2005	0.00	0.00	8,611,259.84	8,520,146.81
September 2005	0.00	0.00	7,615,369.41	7,510,749.23
October 2005	0.00	0.00	6,643,798.45	6,524,830.85
November 2005	0.00	0.00	5,696,228.55	5,562,089.60
December 2005	0.00	0.00	4,772,345.14	4,622,227.02
January 2006	0.00	0.00	3,871,837.53	3,704,948.15
February 2006	0.00	0.00	2,994,398.75	2,809,961.55
March 2006	0.00	0.00	2,139,725.63	1,936,979.24
April 2006	0.00	0.00	1,307,518.64	1,085,716.64
May 2006	0.00	0.00	497,481.94	255,892.55
June 2006 and thereafter	0.00	0.00	0.00	0.00

No one is authorized to give information or to make representations in connection with the Certificates other than the information and representations contained in this Prospectus Supplement and the additional Disclosure Documents. You must not rely on any unauthorized information or representation. This Prospectus Supplement and the additional Disclosure Documents do not constitute an offer or solicitation with regard to the Certificates if it is illegal to make such an offer or solicitation to you under state law. By delivering this Prospectus Supplement and the additional Disclosure Documents at any time, no one implies that the information contained herein or therein is correct after the date hereof or thereof.

The Securities and Exchange Commission has not approved or disapproved the Certificates or determined if this Prospectus Supplement is truthful and complete. Any representation to the contrary is a criminal offense.

\$519,266,166



FannieMae

**Guaranteed
REMIC Pass-Through
Certificates**

**Fannie Mae REMIC Trust
1998-64**

PROSPECTUS SUPPLEMENT

TABLE OF CONTENTS

	<u>Page</u>
Table of Contents	S- 2
Available Information	S- 3
Reference Sheet	S- 4
Additional Risk Factors	S- 8
Description of the Certificates	S-9
Certain Additional Federal Income Tax Consequences	S-26
Plan of Distribution	S-27
Legal Matters	S-28
Exhibit A	A- 1
Principal Balance Schedules	B- 1

PaineWebber Incorporated

October 21, 1998