

\$690,025,942



FannieMae

Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 1999-31

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 that 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
- an underlying REMIC certificate 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
A(1)	1	\$188,426,000	SEQ	6.5%	FIX	31359V5K5	June 2027
VA(1)	1	9,435,000	SEQ/AD	6.5	FIX	31359V5L3	November 2006
VB(1)	1	16,639,000	SEQ/AD	6.5	FIX	31359V5M1	September 2014
ZC(1)	1	15,500,000	SEQ	6.5	FIX/Z	31359V5N9	June 2029
KA	2	25,537,560	PAC	6.0	FIX	31359V5P4	June 2011
KB	2	25,537,560	PAC	6.0	FIX	31359V5Q2	September 2016
KC	2	140,311,440	PAC	6.0	FIX	31359V5R0	June 2029
FD(1)	2	74,899,736	TAC	(2)	FLT	31359V5T6	October 2028
SD(1)	2	31,208,224	TAC	(2)	INV	31359V5S8	October 2028
KD	2	2,069,000	SUP	7.0	FIX	31359V5U3	October 2027
KE	2	1,937,000	SUP	7.0	FIX	31359V5V1	December 2027
KG	2	5,456,857	SUP	7.0	FIX	31359V5W9	May 2028
K	2	1,577,143	SUP	(3)	PO	31359V5X7	May 2028
F	2	7,200,000	SUP	(2)	FLT	31359V5Z2	May 2028
S	2	3,000,000	SUP	(2)	INV	31359V5Y5	May 2028
FA	2	24,893,280	CPT	(2)	FLT	31359V6A6	June 2029
SA	2	2,074,440	CPT	(2)	INV	31359V6C2	June 2029
SB	2	8,297,760	CPT	(2)	INV	31359V6B4	June 2029
FC(1)	3	74,841,000	SC/PT	(2)	FLT	31359V6D0	May 2029
SC(1)	3	31,184,942	SC/PT	(2)	INV	31359V6E8	May 2029
R		0	NPR	0	NPR	31359V6F5	June 2029

- (1) Exchangeable classes.
(2) Based on LIBOR.
(3) Principal only class.

If you own certificates of certain classes, you can exchange them for the corresponding RCR certificates to be issued at the time of the exchange. The AC, L, AP, C, KT and GB Classes are the RCR classes, as further described in this prospectus supplement.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be May 28, 1999.

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.

Merrill Lynch & Co.

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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, 1999 and its supplements (the “Information Statement”); and
- the disclosure document relating to the underlying REMIC certificate (the “Underlying REMIC Disclosure Document”).

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 by writing or calling the dealer at:

Merrill Lynch, Pierce, Fenner & Smith Incorporated
Prospectus Department
44B Colonial Drive
Piscataway, New Jersey 08854
(telephone 732-885-2760).

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	Group 1 MBS
2	Group 2 MBS
3	Class 1999-19-GB REMIC Certificate

Assumed Characteristics of the Mortgage Loans underlying the Group 1 and Group 2 MBS (as of May 1, 1999)

	<u>Approximate Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Approximate Weighted Average Remaining Term to Maturity (in months)</u>	<u>Approximate Calculated Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
Group 1 MBS	\$230,000,000	360	337	18	7.25%
Group 2 MBS	354,000,000	360	346	13	6.72%

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 Certificate

Exhibit A describes the underlying REMIC certificate, including certain information about the related mortgage loans. To learn more about the underlying REMIC certificate, you should obtain the current class factors and disclosure document for the underlying REMIC certificate 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 on May 28, 1999.

Distribution Dates

We will make payments on the certificates 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>
Group 1, Group 2 and Group 3 Classes	R Class

Exchanging Certificates Through Combination and Recombination

If you own certain certificates, you will be able to exchange them for a proportionate interest in the related RCR certificates as shown on Schedule 1. We will issue the RCR certificates upon such exchange. You can exchange your certificates by notifying us and paying an exchange fee. We use the principal and interest of the certificates exchanged to pay principal and interest on the related RCR certificates. Schedule 1 lists all of the available combinations of the certificates eligible for exchange and the related RCR certificates.

Interest Rates

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

During the initial interest accrual period, the floating rate and inverse floating rate classes will bear interest at the initial interest rates listed below. 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>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate (1)</u>
FD	5.22625%	8.50000%	0.30%	LIBOR + 30 basis points
SD	7.85700%	19.67999%	0.00%	$19.67999\% - (2.39999994 \times \text{LIBOR})$
F	5.52625%	8.50000%	0.60%	LIBOR + 60 basis points
S	7.13700%	18.96000%	0.00%	$18.96\% - (2.4 \times \text{LIBOR})$
FA	5.72625%	8.50000%	0.80%	LIBOR + 80 basis points
SB	6.22125%	21.00000%	0.00%	$21\% - (3 \times \text{LIBOR})$
SA	8.40000%	8.40000%	0.00%	$92.4\% - (12 \times \text{LIBOR})$
FC	5.27625%	8.50000%	0.35%	LIBOR + 35 basis points
SC	7.73693%	19.55948%	0.00%	$19.55948\% - (2.39990824 \times \text{LIBOR})$

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

We will apply interest payments from exchanged certificates to the corresponding RCR certificates, on a pro rata basis, following any exchange.

Components

The FA, SA and SB Classes are made up of payment components. Each component will have the original principal balance and principal type set forth below.

<u>Component</u>	<u>Original Principal Balance</u>	<u>Principal Type</u>
FA1	\$10,277,661	SUP
FA2	\$14,615,619	SUP
SA1	\$ 856,472	SUP
SA2	\$ 1,217,968	SUP
SB1	\$ 3,425,887	SUP
SB2	\$ 4,871,873	SUP

Distributions of Principal

Group 1 Principal Distribution Amount

ZC Accrual Amount

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

Group 1 Cash Flow Distribution Amount

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

Group 2 Principal Distribution Amount

1. To the KA, KB and KC Classes, in that order, to their Planned Balances.
2. To the FD and SD Classes, pro rata, to their Targeted Balances.
3. (a) 55.4479425612% of the remaining amount to the K, F and S Classes, pro rata, to zero, and
(b) 44.5520574388% of such remaining amount to the KD, KE and KG Classes, in that order, to zero.
4. To the FA1, SB1 and SA1 Components, pro rata, to zero.
5. To the FD and SD Classes, pro rata, to zero.
6. To the FA2, SB2 and SA2 Components, pro rata, to zero.
7. To the KA, KB and KC Classes, in that order, to zero.

Group 3 Principal Distribution Amount

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

We will apply principal payments from exchanged certificates to the corresponding RCR certificates, on a pro rata basis, following any exchange.

Weighted Average Lives (years) *

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
A, AP and L	19.3	7.8	5.8	5.0	3.7	1.9
VA	4.0	4.0	4.0	4.0	4.0	3.5
VB	11.6	11.6	11.6	11.3	10.0	5.7
ZC	29.0	23.0	20.0	18.7	15.7	9.0
AC	21.1	10.6	8.4	7.4	5.7	2.9
C	29.0	23.0	19.9	18.1	14.4	7.5

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
KA.....	6.1	3.4	3.4	3.4	3.4	2.3
KB.....	10.9	4.6	4.6	4.6	4.6	2.7
KC.....	19.3	10.7	10.7	10.7	10.7	5.6
FD, SD and KT	24.3	7.3	2.5	2.5	1.9	1.2
KD.....	28.2	18.9	11.1	0.6	0.2	0.1
KE.....	28.4	19.6	12.4	1.5	0.6	0.2
KG.....	28.7	21.0	14.6	3.8	1.1	0.4
K, F and S.....	28.5	20.3	13.4	2.6	0.8	0.3
FA, SA and SB.....	29.5	25.3	21.6	18.1	4.0	1.4

<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
FC, SC and GB	25.0	8.8	5.0	5.0	2.6	1.2

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

ADDITIONAL RISK FACTORS

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.

Payments on certain classes will also be affected by the payment priority governing the underlying REMIC certificate. If you invest in any Group 3 Class, the rate that you receive payments will also be affected by the priority sequence governing principal payments on the underlying REMIC certificate.

As described in the related disclosure document, the underlying REMIC certificate has a principal balance schedule and, as a result, may receive principal payments at rates faster or slower than would otherwise have been the case. In some cases, it may receive no principal payments for extended periods. 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 class has adhered to its principal balance schedule,
- any related support classes remain outstanding, or
- such class otherwise has performed as originally anticipated.

You may obtain additional information about the underlying REMIC certificate 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 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 different 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 payment 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”) pursuant to a trust agreement dated as of May 1, 1999 (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 “REMIC Certificates”) and the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the REMIC Certificates, the “Certificates”) pursuant to the Trust Agreement. In general, the term “Classes” includes the Classes of REMIC Certificates and RCR Certificates.

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

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

The assets of the Trust will consist of

- two groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS” and “Group 2 MBS” and, together, the “Trust MBS”), and
- a previously issued REMIC certificate (the “Underlying REMIC Certificate”) evidencing a beneficial ownership interest in the related Fannie Mae REMIC trust (the “Underlying REMIC Trust”) as further described in Exhibit A.

The assets of the Underlying REMIC Trust 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 Certificate are described in the Underlying REMIC Disclosure Document. Our guarantees are not backed by the full faith and credit of the United States. See “Description of 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 Underlying REMIC Disclosure Document.

Characteristics of Certificates. We will issue the Certificates (except the R Class) 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 Certificates—Denominations, Certificate Form” in the REMIC Prospectus.

We will issue the R Certificate in fully registered, certificated form. The “Holder” or “Certificateholder” of the R Certificate is its registered owner. The R 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 Certificate and may require payment to cover any tax or other governmental charge. See also “Characteristics of the R Class.”

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust only by presenting and surrendering such 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 Certificate, in minimum denominations of \$1,000 and whole dollar increments. We will issue the R Class as a single Certificate with no principal balance.

Distribution Dates. We will make monthly payments on the Certificates 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 of a Certificate of that Class, the product will equal the current 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 the Accrual Class).

Optional Termination. We will not terminate 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 Certificate. Holders of certificates of the Underlying REMIC Trust may be asked to vote on issues arising under the applicable trust agreement. If so, the Trustee will vote the Underlying REMIC Certificate as instructed by Holders of Certificates of the Classes backed by the Underlying REMIC Certificate. The Trustee must receive instructions from Holders of Certificates having principal balances totaling at least 51% of the aggregate principal balance of all such Classes outstanding. In the absence of such instructions, the Trustee will vote in a manner consistent, in its sole judgment, with the best interests of Certificateholders.

Combination and Recombination

General. You are permitted to exchange all or a portion of the A, VA, VB, ZC, FD, SD, FC and SC Classes of REMIC Certificates for a proportionate interest in the related Combinable and Recombinable REMIC Certificates (“RCR Certificates”) in the combinations shown on Schedule 1. You also may exchange all or a portion of the RCR Certificates for the related REMIC Certificates in the same manner. This process may occur repeatedly.

Holders of RCR Certificates will be the beneficial owners of a proportionate interest in the related REMIC Certificates and will receive a proportionate share of the distributions on the related REMIC Certificates.

The Classes of REMIC Certificates and RCR Certificates that are outstanding at any given time, and the outstanding principal balances of these Classes, will depend upon any related distributions of principal, as well as any exchanges that occur. The principal balances of the REMIC Certificates and RCR Certificates involved in any exchange will bear the same relationship as that borne by the original principal balances of the related Classes.

Procedures. If a Certificateholder wishes to exchange Certificates, the Certificateholder must notify our Structured Transactions Department through one of our “REMIC Dealer Group” dealers in writing or by telefax no later than two business days before the proposed exchange date. The exchange date can be any business day other than the first or last business day of the month subject to our approval. The notice must include the outstanding principal balance of both the Certificates to be exchanged and the Certificates to be received, and the proposed exchange date. After receiving the Holder’s notice, we will telephone the dealer with delivery and wire payment instructions. Notice becomes irrevocable on the second business day before the proposed exchange date.

In connection with each exchange, the Holder must pay us a fee equal to 1/32 of 1% of the outstanding principal balance (exclusive of any notional principal balance) of the Certificates to be exchanged. In no event, however, will our fee be less than \$2,000.

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

Additional Considerations. The characteristics of RCR Certificates will reflect the characteristics of the REMIC Certificates used to form such RCR Certificates. You should also consider a number of factors that will limit a Certificateholder's ability to exchange REMIC Certificates for RCR Certificates or vice versa:

- At the time of the proposed exchange, a Certificateholder must own Certificates of the related Class or Classes in the proportions necessary to make the desired exchange.
- A Certificateholder that does not own the Certificates may be unable to obtain the necessary REMIC Certificates or RCR Certificates.
- The Certificateholder of needed Certificates may refuse to sell them at a reasonable price (or any price) or may be unable to sell them.
- Certain Certificates may have been purchased and placed into other financial structures and thus be unavailable.
- Principal distributions will decrease the amounts available for exchange over time.
- Only the combinations listed on Schedule 1 are permitted.

The Trust MBS

The following table contains certain information about the Trust MBS. The Trust MBS included in each specified Group 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 Group 1 MBS and Group 2 MBS and the related Mortgage Loans as of May 1, 1999 (the "Issue Date") to be as follows:

Group 1 MBS

Aggregate Unpaid Principal Balance.....	\$230,000,000
MBS Pass-Through Rate	6.50%

Related Mortgage Loans

Range of WACs (per annum percentages)	6.75% to 9.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM.....	337 months
Approximate Weighted Average CAGE	18 months

Group 2 MBS

Aggregate Unpaid Principal Balance.....	\$354,000,000
MBS Pass-Through Rate	6.00%

Related Mortgage Loans

Range of WACs (per annum percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM.....	346 months
Approximate Weighted Average CAGE	13 months

The Underlying REMIC Certificate

The Underlying REMIC Certificate represents a beneficial ownership interest in the Underlying REMIC Trust. The assets of this trust 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 Certificate will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Underlying REMIC Certificate are described in the Underlying REMIC Disclosure Document.

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

For further information about the Underlying REMIC Certificate, 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 date we prepared the Underlying REMIC Disclosure Document. 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 document may be limited.

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the principal balance of the Underlying REMIC Certificate as of the Issue Date and with respect to the Trust MBS, the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current WAM is not available) of the Mortgage Loans underlying 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	A, VA, VB and ZC
Accrual	ZC
RCR**	AC, L, AP and C
Group 2 Classes	
Fixed Rate	KA, KB, KC, KD, KE and KG
Floating Rate	FD, F and FA
Inverse Floating Rate	SD, S, SA and SB
Principal Only	K
RCR**	KT

<u>Interest Type*</u>	<u>Classes</u>
Group 3 Classes	
Floating Rate	FC
Inverse Floating Rate	SC
RCR**	GB
No Payment Residual	R

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

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

General. 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 Class) 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 Class) 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 Class, see “Accrual Class.”

Interest payments on exchangeable REMIC Certificates will be applied to the corresponding RCR Certificates, on a pro rata basis, following any exchange.

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 and the FA, SA and SB Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs
All other interest-bearing Classes	One month period ending on the day preceding the Distribution Date

See “Additional Risk Factors.”

We will treat the K and L Classes as Delay Classes for the sole purpose of facilitating trading.

Accrual Class. The ZC Class is an Accrual Class. Interest will accrue on the Accrual Class at the applicable annual rate listed on the cover. However, we will not pay any interest on the Accrual Class. Instead, interest accrued on the Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on the Accrual Class as described under “Distributions of Principal” below.

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 the specified interest rate index (the “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 Index occurs. Similarly, higher mortgage interest rates could occur while a decrease in the level of the 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 “BBA Method” as described in the REMIC Prospectus under “Description of Certificates—Indexes for Floating Rate Classes 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 4.92625%.

Distributions of Principal

Categories of Classes and Components

For the purpose of principal payments, the Classes and Components fall into the following categories:

<u>Principal Type*</u>	<u>Classes and Components</u>
Group 1 Classes	
Sequential Pay	A, VA, VB and ZC
Accretion Directed	VA and VB
RCR**	AC, L, AP and C
Group 2 Classes and Components	
PAC	KA, KB and KC
TAC	FD and SD
Support	KD, KE, KG, K, F, S, FA1, FA2, SA1, SA2, SB1 and SB2
Component	FA, SA and SB
RCR**	KT
Group 3 Classes	
Structured Collateral/Pass-Through	FC and SC
RCR**	GB
No Payment Residual	R

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

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

Components. For purposes of calculating the payments they receive, the FA, SA and SB Classes consist of multiple payment Components having the designations and original principal balances specified in this prospectus supplement under “Reference Sheet—Components.” The payment characteristics of those Classes will reflect a combination of the payment characteristics of the related Components. Components are not separately transferable from the related Class of Certificates.

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 to be paid on the Group 1 MBS in the month of such Distribution Date (the “Group 1 Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balance of the ZC Class (the “ZC Accrual Amount,” and together with the Group 1 Cash Flow Distribution Amount, the “Group 1 Principal Distribution Amount”),

- the principal to be paid on the Group 2 MBS in the month of such Distribution Date (the “Group 2 Principal Distribution Amount”), and
- the principal then paid on the Underlying REMIC Certificate (the “Group 3 Principal Distribution Amount”).

The portion of the class of Underlying REMIC Certificate held by the Trust is set forth in Exhibit A.

Group 1 Principal Distribution Amount

ZC Accrual Amount

On each Distribution Date, we will pay the ZC 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 ZC Accrual Amount as principal of the ZC Class. } Accretion
Directed
Classes
and
Accrual
Class

Group 1 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 1 Cash Flow Distribution Amount, sequentially, as principal of the A, VA, VB and ZC Classes, in that order, until their principal balances are reduced to zero. } Sequential
Pay
Classes

Group 2 Principal Distribution Amount

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

(i) sequentially, to the KA, KB and KC Classes, in that order, until their principal balances are reduced to their Planned Balances for such Distribution Date; } PAC
Classes

(ii) concurrently, to the FD and SD Classes, pro rata (or 70.5882348506% and 29.4117651494%, respectively), until their principal balances are reduced to their Targeted Balances for such Distribution Date; } TAC
Classes

(iii) (a) 55.4479425612% of the remaining amount, concurrently, to the K, F and S Classes, pro rata (or 13.3915585469%, 61.1353704375% and 25.4730710156%, respectively), until their principal balances are reduced to zero, and } Support
Classes

(b) 44.5520574388% of such remaining amount, sequentially, to the KD, KE and KG Classes, in that order, until their principal balances are reduced to zero; }

(iv) concurrently, to the FA1, SB1 and SA1 Components, pro rata (or 70.5882353184%, 23.5294117728% and 5.8823529088%, respectively), until their principal balances are reduced to zero; } Support
Components

(v) concurrently, to the FD and SD Classes, pro rata, without regard to their Targeted Balances and until their principal balances are reduced to zero; } TAC
Classes

(vi) concurrently, to the FA2, SB2 and SA2 Components, pro rata (or 70.5882352771%, 23.5294117590% and 5.8823529639%, respectively), until their principal balances are reduced to zero; and } Support
Components

(vii) sequentially, to the KA, KB and KC Classes, in that order, without regard to their Planned Balances and until their principal balances are reduced to zero. } PAC
Classes

Group 3 Principal Distribution Amount

On each Distribution Date, we will pay the Group 3 Cash Flow Distribution Amount, concurrently, as principal of the FC and SC Classes, pro rata (or 70.5874417037% and 29.4125582963%, respectively), until their principal balances are reduced to zero.

Structured
Collateral/
Pass-Through
Classes

Principal payments on exchangeable REMIC Certificates will be applied to the corresponding RCR Certificates, on a pro rata basis, following any exchange.

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

- the Mortgage Loans underlying the Group 1 and Group 2 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 Group 1 and Group 2 MBS”;
- 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 May 28, 1999.

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

Structuring Range and Rate. The Principal Balance Schedules 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 Mortgage Loans will prepay at a constant PSA rate within the Structuring Range or at the rate set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Classes</u>	<u>Structuring Range and Rate</u>
Planned Balances	KA, KB and KC	Between 100% and 250%
Targeted Balances	FD, SD and KT	150%

We cannot assure you that the balance of any Class 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 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 to its scheduled balance on a Distribution Date. Accordingly, the ability to reduce a Class to its scheduled balance will not be improved by the averaging of high and low principal payments from month to month. In addition, even if the related Mortgage Loans prepay at rates falling within the Structuring Range, principal distributions may be insufficient to reduce the related Class to its scheduled balance if such prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans, which may include recently originated Mortgage Loans,

the Classes specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the Structuring Range or at the rate specified above.

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

<u>Classes</u>	<u>Initial Effective Ranges</u>
KA	Between 100% and 302%
KB	Between 100% and 271%
KC	Between 100% and 250%

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

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. 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, 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 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 Index. The related 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.

Changes in the 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 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>
SD	97%
S	80%
SA	75%
SB	68%
SC	92%

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
2.92625%	13.5%	13.8%	14.5%	14.5%	14.7%	15.7%
4.92625%	8.4%	8.7%	9.5%	9.5%	9.8%	10.9%
6.92625%	3.4%	3.7%	4.6%	4.6%	5.0%	6.1%
8.20000%	0.3%	0.5%	1.5%	1.5%	1.9%	3.2%

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
2.92625%	15.4%	15.5%	15.9%	24.0%	45.7%	114.1%
4.92625%	9.4%	9.5%	10.0%	18.0%	39.8%	108.2%
6.92625%	3.6%	3.8%	4.4%	12.1%	34.0%	102.4%
7.90000%	0.9%	1.1%	1.7%	9.3%	31.2%	99.6%

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
7.00% and below	11.6%	11.6%	11.8%	12.0%	18.1%	32.5%
7.70%	1.1%	1.1%	1.3%	1.6%	7.6%	21.9%

**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>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
2.92625%	18.5%	18.5%	18.6%	18.9%	27.1%	47.3%
4.92625%	9.6%	9.7%	10.0%	10.3%	18.7%	38.8%
6.92625%	1.7%	1.8%	2.1%	2.5%	10.7%	30.5%
7.00000% and above	1.4%	1.5%	1.8%	2.2%	10.4%	30.2%

**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>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
2.92625%	14.4%	15.0%	16.0%	16.0%	17.1%	20.4%
4.92625%	9.0%	9.6%	10.5%	10.5%	11.9%	15.4%
6.92625%	3.7%	4.2%	5.2%	5.2%	6.7%	10.4%
8.15000%	0.6%	1.1%	1.9%	1.9%	3.6%	7.4%

The Principal Only Classes. **The K and L Classes will not bear interest. As indicated in the tables below, a low rate of principal payments (including prepayments) on the related Mortgage Loans will have a negative effect on the yields to investors in the K and L Classes.**

The information shown in the following tables has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the K and L Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price</u>
K	87%
L	84%

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

<u>Class</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
K	0.6%	0.7%	1.0%	5.5%	18.2%	54.9%

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

<u>Class</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>180%</u>	<u>250%</u>	<u>500%</u>
L	1.6%	2.3%	3.2%	3.7%	4.9%	9.8%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

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

For a description of the factors which may influence the weighted average life of a Certificate, see “Description of 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 sequences of distributions of principal of the Group 1 and Group 2 Classes,
- in the case of the applicable Group 2 Classes, the payment of principal of such Classes in accordance with the Principal Balance Schedules, and
- in the case of the Group 3 Classes, the priority sequence affecting distributions on the Underlying REMIC Certificate.

See “Distributions of Principal” herein and “Description of the Certificates—Distributions of Principal” in the Underlying REMIC Disclosure Document.

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.

As described under “Distribution of Principal—Components” in this prospectus supplement, the FA, SA and SB Classes consist of multiple payment components for purposes of calculating payments. Since these components are not divisible, the payment characteristics of those Classes will reflect a combination of the payment characteristics of the related Components.

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>	<u>Related Groups</u>
Group 1 MBS	360 months	360 months	9.0%	Group 1
Group 2 MBS	360 months	360 months	8.5%	Group 2
Underlying REMIC Certificate	360 months	359 months	8.5%	Group 3

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	A, AP and L Classes						VA Class						VB Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2000	99	93	90	88	84	69	89	89	89	89	89	89	100	100	100	100	100	100
May 2001	98	84	78	75	67	41	77	77	77	77	77	77	100	100	100	100	100	100
May 2002	97	77	68	63	52	21	65	65	65	65	65	65	100	100	100	100	100	100
May 2003	96	69	59	53	40	8	51	51	51	51	51	51	100	100	100	100	100	100
May 2004	95	63	50	44	30	0	37	37	37	37	37	9	100	100	100	100	100	100
May 2005	94	56	43	36	22	0	22	22	22	22	22	0	100	100	100	100	100	23
May 2006	92	50	36	28	14	0	6	6	6	6	6	0	100	100	100	100	100	0
May 2007	91	44	29	22	8	0	0	0	0	0	0	0	93	93	93	93	93	0
May 2008	89	39	24	16	3	0	0	0	0	0	0	0	83	83	83	83	83	0
May 2009	87	34	19	11	0	0	0	0	0	0	0	0	72	72	72	72	58	0
May 2010	85	29	14	7	0	0	0	0	0	0	0	0	60	60	60	60	5	0
May 2011	83	24	10	3	0	0	0	0	0	0	0	0	47	47	47	47	0	0
May 2012	80	20	6	0	0	0	0	0	0	0	0	0	33	33	33	28	0	0
May 2013	78	16	2	0	0	0	0	0	0	0	0	0	19	19	19	0	0	0
May 2014	75	12	0	0	0	0	0	0	0	0	0	0	4	4	0	0	0	0
May 2015	72	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2016	68	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2017	64	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2018	60	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2019	55	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2020	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2021	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2022	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2023	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2024	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2025	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2026	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	19.3	7.8	5.8	5.0	3.7	1.9	4.0	4.0	4.0	4.0	4.0	3.5	11.6	11.6	11.6	11.3	10.0	5.7

Date	ZC Class						KA Class						KB Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2000	107	107	107	107	107	107	100	100	100	100	100	100	100	100	100	100	100	100
May 2001	114	114	114	114	114	114	100	100	100	100	100	100	100	100	100	100	100	100
May 2002	121	121	121	121	121	121	97	78	78	78	78	0	100	100	100	100	100	0
May 2003	130	130	130	130	130	130	83	0	0	0	0	0	100	94	94	94	94	0
May 2004	138	138	138	138	138	138	69	0	0	0	0	0	100	15	15	15	15	0
May 2005	148	148	148	148	148	148	53	0	0	0	0	0	100	0	0	0	0	0
May 2006	157	157	157	157	157	119	35	0	0	0	0	0	100	0	0	0	0	0
May 2007	168	168	168	168	168	81	16	0	0	0	0	0	100	0	0	0	0	0
May 2008	179	179	179	179	179	56	0	0	0	0	0	0	96	0	0	0	0	0
May 2009	191	191	191	191	191	38	0	0	0	0	0	0	73	0	0	0	0	0
May 2010	204	204	204	204	204	26	0	0	0	0	0	0	49	0	0	0	0	0
May 2011	218	218	218	218	172	18	0	0	0	0	0	0	22	0	0	0	0	0
May 2012	232	232	232	232	142	12	0	0	0	0	0	0	0	0	0	0	0	0
May 2013	248	248	248	225	116	8	0	0	0	0	0	0	0	0	0	0	0	0
May 2014	264	264	258	192	94	5	0	0	0	0	0	0	0	0	0	0	0	0
May 2015	268	268	224	163	76	4	0	0	0	0	0	0	0	0	0	0	0	0
May 2016	268	268	193	138	61	2	0	0	0	0	0	0	0	0	0	0	0	0
May 2017	268	268	165	115	49	2	0	0	0	0	0	0	0	0	0	0	0	0
May 2018	268	257	140	96	39	1	0	0	0	0	0	0	0	0	0	0	0	0
May 2019	268	222	117	79	30	1	0	0	0	0	0	0	0	0	0	0	0	0
May 2020	268	189	96	63	23	*	0	0	0	0	0	0	0	0	0	0	0	0
May 2021	268	158	78	50	18	*	0	0	0	0	0	0	0	0	0	0	0	0
May 2022	268	128	61	39	13	*	0	0	0	0	0	0	0	0	0	0	0	0
May 2023	268	100	46	29	9	*	0	0	0	0	0	0	0	0	0	0	0	0
May 2024	268	74	33	20	6	*	0	0	0	0	0	0	0	0	0	0	0	0
May 2025	268	48	21	13	4	*	0	0	0	0	0	0	0	0	0	0	0	0
May 2026	268	24	10	6	2	*	0	0	0	0	0	0	0	0	0	0	0	0
May 2027	261	2	1	*	*	*	0	0	0	0	0	0	0	0	0	0	0	0
May 2028	137	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	29.0	23.0	20.0	18.7	15.7	9.0	6.1	3.4	3.4	3.4	3.4	2.3	10.9	4.6	4.6	4.6	4.6	2.7

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

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

Date	KC Class						SD, FD and KT Classes						KD Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2000	100	100	100	100	100	100	97	83	77	77	77	65	100	100	100	12	0	0
May 2001	100	100	100	100	100	100	95	61	46	46	46	0	100	100	100	0	0	0
May 2002	100	100	100	100	100	97	93	45	23	23	16	0	100	100	100	0	0	0
May 2003	100	100	100	100	100	67	93	45	17	17	2	0	100	100	100	0	0	0
May 2004	100	100	100	100	100	46	93	45	12	12	0	0	100	100	100	0	0	0
May 2005	100	89	89	89	89	32	93	45	9	9	0	0	100	100	100	0	0	0
May 2006	100	76	76	76	76	22	93	45	6	6	0	0	100	100	100	0	0	0
May 2007	100	64	64	64	64	15	93	45	5	5	0	0	100	100	100	0	0	0
May 2008	100	54	54	54	54	10	93	44	3	3	0	0	100	100	100	0	0	0
May 2009	100	44	44	44	44	7	93	42	1	1	0	0	100	100	100	0	0	0
May 2010	100	37	37	37	37	5	93	39	0	0	0	0	100	100	59	0	0	0
May 2011	100	30	30	30	30	3	93	35	0	0	0	0	100	100	0	0	0	0
May 2012	99	25	25	25	25	2	93	31	0	0	0	0	100	100	0	0	0	0
May 2013	93	20	20	20	20	1	93	26	0	0	0	0	100	100	0	0	0	0
May 2014	87	17	17	17	17	1	93	20	0	0	0	0	100	100	0	0	0	0
May 2015	80	13	13	13	13	1	93	15	0	0	0	0	100	100	0	0	0	0
May 2016	73	11	11	11	11	*	93	9	0	0	0	0	100	100	0	0	0	0
May 2017	65	9	9	9	9	*	93	3	0	0	0	0	100	100	0	0	0	0
May 2018	56	7	7	7	7	*	93	0	0	0	0	0	100	34	0	0	0	0
May 2019	46	5	5	5	5	*	93	0	0	0	0	0	100	0	0	0	0	0
May 2020	36	4	4	4	4	*	93	0	0	0	0	0	100	0	0	0	0	0
May 2021	25	3	3	3	3	*	93	0	0	0	0	0	100	0	0	0	0	0
May 2022	12	2	2	2	2	*	93	0	0	0	0	0	100	0	0	0	0	0
May 2023	2	2	2	2	2	*	89	0	0	0	0	0	100	0	0	0	0	0
May 2024	1	1	1	1	1	*	70	0	0	0	0	0	100	0	0	0	0	0
May 2025	1	1	1	1	1	*	50	0	0	0	0	0	100	0	0	0	0	0
May 2026	*	*	*	*	*	*	27	0	0	0	0	0	100	0	0	0	0	0
May 2027	*	*	*	*	*	*	3	0	0	0	0	0	100	0	0	0	0	0
May 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	19.3	10.7	10.7	10.7	10.7	5.6	24.3	7.3	2.5	2.5	1.9	1.2	28.2	18.9	11.1	0.6	0.2	0.1

Date	KE Class						KG Class						K, S and F Classes					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2000	100	100	100	100	0	0	100	100	100	100	62	0	100	100	100	81	36	0
May 2001	100	100	100	0	0	0	100	100	100	97	0	0	100	100	100	56	0	0
May 2002	100	100	100	0	0	0	100	100	100	63	0	0	100	100	100	37	0	0
May 2003	100	100	100	0	0	0	100	100	100	38	0	0	100	100	100	22	0	0
May 2004	100	100	100	0	0	0	100	100	100	20	0	0	100	100	100	12	0	0
May 2005	100	100	100	0	0	0	100	100	100	8	0	0	100	100	100	5	0	0
May 2006	100	100	100	0	0	0	100	100	100	1	0	0	100	100	100	1	0	0
May 2007	100	100	100	0	0	0	100	100	100	0	0	0	100	100	100	0	0	0
May 2008	100	100	100	0	0	0	100	100	100	0	0	0	100	100	100	0	0	0
May 2009	100	100	100	0	0	0	100	100	100	0	0	0	100	100	100	0	0	0
May 2010	100	100	100	0	0	0	100	100	100	0	0	0	100	100	91	0	0	0
May 2011	100	100	84	0	0	0	100	100	100	0	0	0	100	100	75	0	0	0
May 2012	100	100	0	0	0	0	100	100	100	0	0	0	100	100	58	0	0	0
May 2013	100	100	0	0	0	0	100	100	68	0	0	0	100	100	39	0	0	0
May 2014	100	100	0	0	0	0	100	100	37	0	0	0	100	100	21	0	0	0
May 2015	100	100	0	0	0	0	100	100	5	0	0	0	100	100	3	0	0	0
May 2016	100	100	0	0	0	0	100	100	0	0	0	0	100	100	0	0	0	0
May 2017	100	100	0	0	0	0	100	100	0	0	0	0	100	100	0	0	0	0
May 2018	100	100	0	0	0	0	100	100	0	0	0	0	100	86	0	0	0	0
May 2019	100	0	0	0	0	0	100	98	0	0	0	0	100	57	0	0	0	0
May 2020	100	0	0	0	0	0	100	49	0	0	0	0	100	28	0	0	0	0
May 2021	100	0	0	0	0	0	100	1	0	0	0	0	100	1	0	0	0	0
May 2022	100	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
May 2023	100	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
May 2024	100	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
May 2025	100	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
May 2026	100	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
May 2027	100	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
May 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.4	19.6	12.4	1.5	0.6	0.2	28.7	21.0	14.6	3.8	1.1	0.4	28.5	20.3	13.4	2.6	0.8	0.3

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

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

Date	FC, SC and GB Classes						AC Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100
May 2000	97	81	77	77	77	77	99	94	92	90	87	75
May 2001	94	56	45	45	45	0	99	87	82	79	73	52
May 2002	94	56	40	40	40	0	98	81	74	70	61	36
May 2003	94	56	36	36	24	0	97	75	66	61	51	25
May 2004	94	56	32	32	13	0	96	69	59	54	43	17
May 2005	94	56	30	30	6	0	95	64	53	47	36	12
May 2006	94	56	28	28	2	0	94	59	47	41	30	8
May 2007	94	56	26	26	*	0	92	54	42	36	25	5
May 2008	94	55	25	25	0	0	91	50	38	31	21	4
May 2009	94	53	23	23	0	0	89	46	33	27	17	3
May 2010	94	50	20	20	0	0	88	42	29	24	14	2
May 2011	94	45	18	18	0	0	86	38	26	21	12	1
May 2012	94	40	15	15	0	0	84	35	23	18	10	1
May 2013	94	34	12	12	0	0	82	31	20	15	8	1
May 2014	94	28	9	9	0	0	79	28	17	13	6	*
May 2015	94	22	6	6	0	0	77	25	15	11	5	*
May 2016	94	15	4	4	0	0	74	22	13	9	4	*
May 2017	94	8	1	1	0	0	71	20	11	8	3	*
May 2018	94	2	0	0	0	0	67	17	9	6	3	*
May 2019	94	0	0	0	0	0	64	15	8	5	2	*
May 2020	94	0	0	0	0	0	59	13	6	4	2	*
May 2021	94	0	0	0	0	0	55	11	5	3	1	*
May 2022	94	0	0	0	0	0	50	9	4	3	1	*
May 2023	94	0	0	0	0	0	45	7	3	2	1	*
May 2024	83	0	0	0	0	0	39	5	2	1	*	*
May 2025	60	0	0	0	0	0	32	3	1	1	*	*
May 2026	34	0	0	0	0	0	25	2	1	*	*	*
May 2027	7	0	0	0	0	0	18	*	*	*	*	*
May 2028	0	0	0	0	0	0	9	0	0	0	0	0
May 2029	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	25.0	8.8	5.0	5.0	2.6	1.2	21.1	10.6	8.4	7.4	5.7	2.9

Date	C Class						FA, SA and SB Classes					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	150%	180%	250%	500%	0%	100%	150%	180%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100
May 2000	100	100	100	100	100	100	100	100	100	100	100	59
May 2001	100	100	100	100	100	100	100	100	100	100	74	15
May 2002	100	100	100	100	100	100	100	100	100	100	59	0
May 2003	100	100	100	100	100	100	100	100	100	100	59	0
May 2004	100	100	100	100	100	94	100	100	100	100	34	0
May 2005	100	100	100	100	100	64	100	100	100	100	15	0
May 2006	100	100	100	100	100	44	100	100	100	100	4	0
May 2007	100	100	100	100	100	30	100	100	100	100	*	0
May 2008	100	100	100	100	100	21	100	100	100	100	*	0
May 2009	100	100	100	100	94	14	100	100	100	100	*	0
May 2010	100	100	100	100	78	10	100	100	100	97	*	0
May 2011	100	100	100	100	64	7	100	100	100	90	*	0
May 2012	100	100	100	98	53	4	100	100	100	83	*	0
May 2013	100	100	100	84	43	3	100	100	100	75	*	0
May 2014	100	100	96	72	35	2	100	100	100	67	*	0
May 2015	100	100	84	61	28	1	100	100	100	60	*	0
May 2016	100	100	72	51	23	1	100	100	91	53	*	0
May 2017	100	100	61	43	18	1	100	100	80	46	*	0
May 2018	100	96	52	36	14	*	100	100	70	40	*	0
May 2019	100	83	44	29	11	*	100	100	61	34	*	0
May 2020	100	70	36	24	9	*	100	100	52	29	*	0
May 2021	100	59	29	19	7	*	100	100	43	24	*	0
May 2022	100	48	23	14	5	*	100	84	35	19	*	0
May 2023	100	37	17	11	3	*	100	68	28	15	*	0
May 2024	100	27	12	7	2	*	100	53	21	11	*	0
May 2025	100	18	8	5	1	*	100	38	15	8	*	0
May 2026	100	9	4	2	1	*	100	24	9	5	*	0
May 2027	97	1	*	*	*	*	100	11	4	2	*	0
May 2028	51	0	0	0	0	0	88	0	0	0	0	0
May 2029	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	29.0	23.0	19.9	18.1	14.4	7.5	29.5	25.3	21.6	18.1	4.0	1.4

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

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

Characteristics of the R Class

The R Class will not have a principal balance 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. Fannie Mae does not expect that any material assets will remain in such case.

The R Class will be subject to certain transfer restrictions. We will not permit transfer of record or beneficial ownership of an R Certificate to a “disqualified organization.” In addition, we will not permit transfer of record or beneficial ownership of an R 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 Class will constitute a noneconomic residual interest under the Regulations. Any transferee of an R Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 on which the transferee provides its taxpayer identification number. See “Description of Certificates—Special Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*” in the REMIC Prospectus. Transferors of an R Certificate should consult with their own tax advisors for further information regarding such transfers.

The Holder of the R Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Trust. See “Certain Federal Income Tax Consequences” in the REMIC Prospectus. Pursuant to the Trust Agreement, we will be obligated to provide to such Holder (i) information necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the R Class that may be required under the Code.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The 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 Election and Special Tax Attributes

We will elect to treat the Trust as a REMIC for federal income tax purposes. The REMIC Certificates, other than the R Class, will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust.

Because the Trust will qualify as a REMIC, the REMIC Certificates and any related RCR Certificates generally will be treated as “regular or residual interests in a REMIC” for domestic building and loan associations, “real estate assets” for real estate investment trusts, and, except for the R Class, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—*REMIC Election and Special Tax Attributes*” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Accrual Class, the Principal Only Class, the S Class, the SA Class and the SB Class will be issued with original issue discount (“OID”), and certain other Classes of REMIC 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 REMIC 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>Class Group</u>	<u>PSA Prepayment Assumption</u>
1	180%
2	150%
3	180%

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 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 that generally will not be treated as excess inclusions, the rate to be used is 6.64% (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.

Taxation of Beneficial Owners of RCR Certificates

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

The RCR Classes will represent the beneficial ownership of the underlying REMIC Certificates set forth in Schedule 1. The ownership interest represented by RCR Class Certificates will be one of two types. A Certificate of a Strip RCR Class (a “Strip RCR Certificate”) will represent the right to receive a disproportionate part of the principal or interest payments on a single underlying REMIC Certificate. A Certificate of a Combination RCR Class (a “Combination RCR Certificate”) will represent beneficial ownership of undivided interest in two or more underlying REMIC Certificates.

The L and AP Classes are Strip RCR Classes. The AC, C, KT and GB Classes are Combination RCR Classes.

Strip RCR Classes. The tax consequences to a beneficial owner of a Strip RCR Certificate will be determined under section 1286 of the Code, except as discussed below. Under section 1286, a beneficial owner of a Strip RCR Certificate will be treated as owning “stripped bonds” to the extent of its share

of principal payments and “stripped coupons” to the extent of its share of interest payments on the underlying REMIC Certificates. If a Strip RCR Certificate entitles the holder to payments of principal and interest on an underlying REMIC Certificate, the IRS could contend that the Strip RCR Certificate should be treated (i) as an interest in the underlying REMIC Certificate to the extent that the Strip RCR Certificate represents an equal pro rata portion of principal and interest on the underlying REMIC Certificate, and (ii) with respect to the remainder, as an installment obligation consisting of “stripped bonds” to the extent of its share of principal payments or “stripped coupons” to the extent of its share of interest payments. For purposes of information reporting, however, Fannie Mae intends to treat each Strip RCR Certificate as a single debt instrument, regardless of whether it entitles the holder to payments of principal and interest. You should consult your own tax advisors as to the proper treatment of a Strip RCR Certificate in this regard.

Under section 1286, the beneficial owner of a Strip RCR Certificate must treat the Strip RCR Certificate as a debt instrument originally issued on the date the owner acquires it and as having OID equal to the excess, if any, of its “stated redemption price at maturity” over the price paid by the owner to acquire it. The stated redemption price at maturity for a Strip RCR Certificate is determined in the same manner as described with respect to Regular Certificates under “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount” in the REMIC Prospectus.

If a Strip RCR Certificate has OID, the beneficial owner must include the OID in its ordinary income for federal income tax purposes as the OID accrues, which may be prior to the receipt of the cash attributable to that income. Although the matter is not entirely clear, a beneficial owner should accrue OID using a method similar to that described with respect to the accrual of OID on a Regular Certificate under “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount” in the REMIC Prospectus. A beneficial owner, however, determines its yield to maturity based on its purchase price. For a particular beneficial owner, it is not clear whether the prepayment assumption used for calculating OID would be one determined at the time the Strip RCR Certificate is acquired or would be the original Prepayment Assumption for the underlying REMIC Certificates. For purposes of information reporting, Fannie Mae will use the original yield to maturity of the Strip RCR Certificate, calculated based on the original Prepayment Assumption. You should consult your own tax advisors regarding the proper method for accruing OID on a Strip RCR Certificate.

The rules of section 1286 of the Code also apply if (i) a beneficial owner of a REMIC Certificate exchanges it for Strip RCR Certificates, (ii) the beneficial owner sells some, but not all, of the Strip RCR Certificates, and (iii) the combination of retained Strip RCR Certificates cannot be exchanged for the related REMIC Certificate. As of the date of such a sale, the beneficial owner must allocate its basis in the REMIC Certificate between the part of the REMIC Certificate underlying the Strip RCR Certificates sold and the part of the REMIC Certificate underlying the Strip RCR Certificates retained in proportion to their relative fair market values. Section 1286 of the Code treats the beneficial owner as purchasing the Strip RCR Certificates retained for the amount of the basis allocated to the retained Certificates, and the beneficial owner must then accrue any OID with respect to the retained Certificates as described above. Section 1286 does not apply, however, if a beneficial owner exchanges a REMIC Certificate for the related RCR Certificates and retains all the RCR Certificates. See “—*Taxation of Beneficial Owners of RCR Certificates—Exchanges.*”

Upon the sale of a Strip RCR Certificate, a beneficial owner will realize gain or loss on the sale in an amount equal to the difference between the amount realized and its adjusted basis in the Certificate. The owner’s adjusted basis generally is equal to the owner’s cost of the Certificate (or portion of the cost of a REMIC Certificate allocable to the RCR Certificate), increased by income previously included, and reduced (but not below zero) by distributions previously received and by any amortized premium. If the beneficial owner holds the Certificate as a capital asset, any gain or loss realized will be capital gain or loss, except to the extent provided under “Certain Federal Income Tax

Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Sales and Other Dispositions of Regular Certificates” in the REMIC Prospectus.

Although the matter is not free from doubt, if a beneficial owner acquires in one transaction (other than an exchange described under “—Taxation of Beneficial Owners of RCR Certificates—*Exchanges*”) a combination of Strip RCR Certificates that may be exchanged for underlying REMIC Certificates, the owner should be treated as owning the underlying REMIC Certificates, in which case section 1286 would not apply. If a beneficial owner acquires such a combination in separate transactions, the law is unclear as to whether the combination should be aggregated or each Strip RCR Certificate should be treated as a separate debt instrument. You should consult your tax advisors regarding the proper treatment of Strip RCR Certificates in this regard. For the treatment of Strip RCR Certificates received in exchange for a REMIC Certificate, see “—Taxation of Beneficial Owners of RCR Certificates—*Exchanges*.”

Combination RCR Classes. A beneficial owner of a Combination RCR Certificate will be treated as the beneficial owner of a proportionate interest in the REMIC Certificates underlying that Combination RCR Certificate. A beneficial owner of a Combination RCR Certificate must allocate its cost to acquire that Certificate among the underlying REMIC Certificates in proportion to their relative fair market values at the time of acquisition. Such owner should account for its ownership interest in each underlying REMIC Certificate as described under “—Taxation of Beneficial Owners of Regular Certificates” in this prospectus supplement and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*” in the REMIC Prospectus. When a beneficial owner sells a Combination RCR Certificate, the owner must allocate the sale proceeds among the underlying REMIC Certificates in proportion to their relative fair market values at the time of sale.

Exchanges. If a beneficial owner exchanges one or more REMIC Certificates for the related RCR Certificate or Certificates in the manner described under “Description of the Certificates—Combination and Recombination” in this prospectus supplement, the exchange will not be taxable. Likewise, if a beneficial owner exchanges one or more RCR Certificates for the related REMIC Certificate or Certificates in the manner described in that discussion, the exchange will not be a taxable exchange. In each of these cases, the beneficial owner will be treated as continuing to own after the exchange the same combination of interests in the related REMIC Certificates (or the same interest in the related REMIC Certificate) that it owned immediately prior to the exchange.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the Certificates to Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “Dealer”) in exchange for the Group 1 and Group 2 MBS and the Underlying REMIC Certificate. 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 1 and Group 2 Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the related MBS in principal balance, but we expect that all these additional 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 1 and Group 2 Class bears to the aggregate original principal balance of all Group 1 or Group 2 Classes, respectively, will remain the same.

LEGAL MATTERS

Brown & Wood LLP will provide legal representation for Fannie Mae. Milbank, Tweed, Hadley & McCloy LLP will provide legal representation for the Dealer.

Exhibit A

Underlying REMIC Certificate

<u>Underlying REMIC Trust</u>	<u>Class</u>	<u>Date of Issue</u>	<u>CUSIP Number</u>	<u>Interest Rate</u>	<u>Interest Type (1)</u>	<u>Final Distribution Date</u>	<u>Principal Type (1)</u>	<u>Original Principal Balance of Class</u>	<u>May 1999 Class Factor</u>	<u>Principal Balance in the Trust as of the Issue Date</u>	<u>Approximate Weighted Average WAC</u>	<u>Approximate Weighted Average WAM (in months)</u>	<u>Approximate Weighted Average CAGE (in months)</u>	<u>Underlying Security Type</u>	<u>Class Group</u>
1999-19	GB	April 1999	31359VJ20	6.0%	FIX	May 2029	SCH	\$107,559,600	0.985741320	\$106,025,942.00	6.767%	344	13	MBS	3

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

Schedule 1

Available Recombinations (1)

REMIC Certificates		RCR Certificates						
Classes	Original Principal Balance	RCR Classes	Original Principal Balance	Interest Rate	Interest Type (2)	Principal Type (2)	CUSIP Number	Final Distribution Date
Recombination 1								
A	\$188,426,000	AC	\$230,000,000	6.5%	FIX	PT	31359V6G3	June 2029
VA	9,435,000							
VB	16,639,000							
ZC	15,500,000							
Recombination 2								
A	188,426,000	L	52,340,556	(3)	PO	SEQ	31359V6H1	June 2027
		AP	136,085,444	9.0	FIX	SEQ	31359V 6 J 7	June 2027
Recombination 3								
VA	9,435,000	C	41,574,000	6.5	FIX	SEQ	31359V6K4	June 2029
VB	16,639,000							
ZC	15,500,000							
Recombination 4								
FD	74,899,736	KT	106,107,960	6.0	FIX	TAC	31359V6L2	October 2028
SD	31,208,224							
Recombination 5								
FC	74,841,000	GB	106,025,942	6.0	FIX	SC/PT	31359V6M0	May 2029
SC	31,184,942							

(1) The balances of the REMIC Certificates and RCR Certificates involved in any exchange will bear the same proportionate relationship as that borne by the original balances of the related Classes.
(2) See “Description of Certificates—Class Definitions and Abbreviations” in the REMIC Prospectus and “Description of the Certificates—Distributions of Interest” and “—Distributions of Principal” herein.

(3) Principal Only Class.

Principal Balance Schedules

KA Class Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance through		July 2002	\$16,302,377.63	January 2003	\$ 5,525,046.88
February 2002	\$25,537,560.00	August 2002	14,483,296.56	February 2003	3,760,499.58
March 2002	23,671,725.66	September 2002	12,673,422.17	March 2003	2,004,878.12
April 2002	21,815,338.78	October 2002	10,872,707.06	April 2003	258,136.53
May 2002	19,968,350.71	November 2002	9,081,104.06	May 2003 and thereafter	0.00
June 2002	18,130,713.04	December 2002	7,298,566.22		

KB Class Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance through		October 2003	\$15,499,179.50	April 2004	\$ 5,511,013.13
April 2003	\$25,537,560.00	November 2003	13,813,329.53	May 2004	3,875,632.49
May 2003	24,057,789.07	December 2003	12,136,000.08	June 2004	2,248,512.42
June 2003	22,328,670.24	January 2004	10,467,147.26	July 2004	629,610.37
July 2003	20,608,294.79	February 2004	8,806,727.42	August 2004 and thereafter	0.00
August 2003	18,896,617.68	March 2004	7,154,697.11		
September 2003	17,193,594.10				

KC Class Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance through		November 2006	\$ 98,782,259.79	May 2009	\$ 62,326,312.81
July 2004	\$140,311,440.00	December 2006	97,384,120.79	June 2009	61,351,935.83
August 2004	139,330,324.01	January 2007	95,993,020.21	July 2009	60,391,743.86
September 2004	137,727,731.23	February 2007	94,608,921.79	August 2009	59,445,537.56
October 2004	136,133,230.13	March 2007	93,231,789.46	September 2009	58,513,120.31
November 2004	134,546,779.03	April 2007	91,861,587.32	October 2009	57,594,298.21
December 2004	132,968,336.48	May 2007	90,498,279.67	November 2009	56,688,880.04
January 2005	131,397,861.21	June 2007	89,141,830.97	December 2009	55,796,677.22
February 2005	129,835,312.18	July 2007	87,792,205.90	January 2010	54,917,503.76
March 2005	128,280,648.57	August 2007	86,449,369.29	February 2010	54,051,176.25
April 2005	126,733,829.75	September 2007	85,125,757.91	March 2010	53,197,513.80
May 2005	125,194,815.32	October 2007	83,821,225.50	April 2010	52,356,338.03
June 2005	123,663,565.07	November 2007	82,535,505.31	May 2010	51,527,473.01
July 2005	122,140,039.01	December 2007	81,268,334.25	June 2010	50,710,745.25
August 2005	120,624,197.35	January 2008	80,019,452.87	July 2010	49,905,983.66
September 2005	119,116,000.49	February 2008	78,788,605.28	August 2010	49,113,019.49
October 2005	117,615,409.07	March 2008	77,575,539.11	September 2010	48,331,686.36
November 2005	116,122,383.89	April 2008	76,380,005.45	October 2010	47,561,820.14
December 2005	114,636,885.99	May 2008	75,201,758.84	November 2010	46,803,259.02
January 2006	113,158,876.58	June 2008	74,040,557.17	December 2010	46,055,843.38
February 2006	111,688,317.08	July 2008	72,896,161.69	January 2011	45,319,415.85
March 2006	110,225,169.12	August 2008	71,768,336.92	February 2011	44,593,821.21
April 2006	108,769,394.52	September 2008	70,656,850.63	March 2011	43,878,906.38
May 2006	107,320,955.28	October 2008	69,561,473.77	April 2011	43,174,520.42
June 2006	105,879,813.61	November 2008	68,481,980.48	May 2011	42,480,514.47
July 2006	104,445,931.93	December 2008	67,418,147.97	June 2011	41,796,741.71
August 2006	103,019,272.82	January 2009	66,369,756.55	July 2011	41,123,057.39
September 2006	101,599,799.07	February 2009	65,336,589.55	August 2011	40,459,318.74
October 2006	100,187,473.68	March 2009	64,318,433.27	September 2011	39,805,384.95
		April 2009	63,315,076.97	October 2011	39,161,117.20

KC Class (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
November 2011	\$ 38,526,378.57	June 2016	\$ 14,983,027.46	January 2021	\$ 4,977,725.03
December 2011	37,901,034.02	July 2016	14,712,346.56	February 2021	4,866,137.75
January 2012	37,284,950.42	August 2016	14,445,854.77	March 2021	4,756,405.22
February 2012	36,677,996.44	September 2016	14,183,491.38	April 2021	4,648,499.67
March 2012	36,080,042.62	October 2016	13,925,196.57	May 2021	4,542,393.77
April 2012	35,490,961.25	November 2016	13,670,911.31	June 2021	4,438,060.53
May 2012	34,910,626.41	December 2016	13,420,577.44	July 2021	4,335,473.37
June 2012	34,338,913.93	January 2017	13,174,137.59	August 2021	4,234,606.10
July 2012	33,775,701.35	February 2017	12,931,535.21	September 2021	4,135,432.87
August 2012	33,220,867.91	March 2017	12,692,714.54	October 2021	4,037,928.23
September 2012	32,674,294.55	April 2017	12,457,620.58	November 2021	3,942,067.08
October 2012	32,135,863.82	May 2017	12,226,199.15	December 2021	3,847,824.69
November 2012	31,605,459.93	June 2017	11,998,396.79	January 2022	3,755,176.65
December 2012	31,082,968.69	July 2017	11,774,160.80	February 2022	3,664,098.95
January 2013	30,568,277.50	August 2017	11,553,439.24	March 2022	3,574,567.89
February 2013	30,061,275.31	September 2017	11,336,180.88	April 2022	3,486,560.11
March 2013	29,561,852.62	October 2017	11,122,335.21	May 2022	3,400,052.59
April 2013	29,069,901.46	November 2017	10,911,852.45	June 2022	3,315,022.65
May 2013	28,585,315.34	December 2017	10,704,683.49	July 2022	3,231,447.91
June 2013	28,107,989.27	January 2018	10,500,779.95	August 2022	3,149,306.35
July 2013	27,637,819.71	February 2018	10,300,094.09	September 2022	3,068,576.22
August 2013	27,174,704.55	March 2018	10,102,578.88	October 2022	2,989,236.11
September 2013	26,718,543.13	April 2018	9,908,187.92	November 2022	2,911,264.92
October 2013	26,269,236.15	May 2018	9,716,875.49	December 2022	2,834,641.84
November 2013	25,826,685.72	June 2018	9,528,596.49	January 2023	2,759,346.35
December 2013	25,390,795.31	July 2018	9,343,306.48	February 2023	2,685,358.26
January 2014	24,961,469.71	August 2018	9,160,961.63	March 2023	2,612,657.63
February 2014	24,538,615.07	September 2018	8,981,518.73	April 2023	2,541,224.83
March 2014	24,122,138.81	October 2018	8,804,935.20	May 2023	2,471,040.52
April 2014	23,711,949.67	November 2018	8,631,169.02	June 2023	2,402,085.60
May 2014	23,307,957.64	December 2018	8,460,178.81	July 2023	2,334,341.30
June 2014	22,910,073.98	January 2019	8,291,923.73	August 2023	2,267,789.07
July 2014	22,518,211.17	February 2019	8,126,363.56	September 2023	2,202,410.65
August 2014	22,132,282.92	March 2019	7,963,458.61	October 2023	2,138,188.06
September 2014	21,752,204.15	April 2019	7,803,169.79	November 2023	2,075,103.54
October 2014	21,377,890.95	May 2019	7,645,458.51	December 2023	2,013,139.62
November 2014	21,009,260.59	June 2019	7,490,286.79	January 2024	1,952,279.06
December 2014	20,646,231.48	July 2019	7,337,617.13	February 2024	1,892,504.89
January 2015	20,288,723.19	August 2019	7,187,412.59	March 2024	1,833,800.36
February 2015	19,936,656.40	September 2019	7,039,636.75	April 2024	1,776,148.99
March 2015	19,589,952.90	October 2019	6,894,253.71	May 2024	1,719,534.52
April 2015	19,248,535.57	November 2019	6,751,228.07	June 2024	1,663,940.92
May 2015	18,912,328.37	December 2019	6,610,524.93	July 2024	1,609,352.42
June 2015	18,581,256.31	January 2020	6,472,109.88	August 2024	1,555,753.44
July 2015	18,255,245.46	February 2020	6,335,949.03	September 2024	1,503,128.66
August 2015	17,934,222.92	March 2020	6,202,008.92	October 2024	1,451,462.97
September 2015	17,618,116.82	April 2020	6,070,256.61	November 2024	1,400,741.46
October 2015	17,306,856.27	May 2020	5,940,659.61	December 2024	1,350,949.48
November 2015	17,000,371.39	June 2020	5,813,185.88	January 2025	1,302,072.54
December 2015	16,698,593.27	July 2020	5,687,803.85	February 2025	1,254,096.40
January 2016	16,401,453.96	August 2020	5,564,482.40	March 2025	1,207,007.01
February 2016	16,108,886.48	September 2020	5,443,190.85	April 2025	1,160,790.53
March 2016	15,820,824.77	October 2020	5,323,898.94	May 2025	1,115,433.31
April 2016	15,537,203.69	November 2020	5,206,576.85	June 2025	1,070,921.93
May 2016	15,257,959.03	December 2020	5,091,195.21	July 2025	1,027,243.13

KC Class (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
August 2025	\$ 984,383.85	July 2026	\$ 563,472.55	June 2027	\$ 224,671.34
September 2025	942,331.24	August 2026	529,496.09	July 2027	197,464.14
October 2025	901,072.61	September 2026	496,185.85	August 2027	170,814.56
November 2025	860,595.48	October 2026	463,531.19	September 2027	144,713.58
December 2025	820,887.55	November 2026	431,521.67	October 2027	119,152.31
January 2026	781,936.67	December 2026	400,146.96	November 2027	94,121.99
February 2026	743,730.91	January 2027	369,396.91	December 2027	69,614.01
March 2026	706,258.48	February 2027	339,261.51	January 2028	45,619.86
April 2026	669,507.78	March 2027	309,730.90	February 2028	22,131.17
May 2026	633,467.37	April 2027	280,795.36	March 2028 and thereafter	0.00
June 2026	598,126.00	May 2027	252,445.32		

SD Class Targeted Balances

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
Initial Balance	\$31,208,224.00	August 2002	\$ 6,562,465.85	November 2005	\$ 2,328,470.43
June 1999	30,738,209.83	September 2002	6,405,087.83	December 2005	2,264,570.91
July 1999	30,242,711.02	October 2002	6,250,626.46	January 2006	2,202,582.85
August 1999	29,722,024.73	November 2002	6,099,051.21	February 2006	2,142,484.94
September 1999	29,176,467.62	December 2002	5,950,331.83	March 2006	2,084,256.08
October 1999	28,606,375.57	January 2003	5,804,438.34	April 2006	2,027,875.37
November 1999	28,012,103.34	February 2003	5,661,341.04	May 2006	1,973,322.10
December 1999	27,394,024.26	March 2003	5,521,010.49	June 2006	1,920,575.75
January 2000	26,752,529.80	April 2003	5,383,417.52	July 2006	1,869,616.01
February 2000	26,088,029.20	May 2003	5,248,533.25	August 2006	1,820,422.73
March 2000	25,400,949.03	June 2003	5,116,329.03	September 2006	1,772,975.97
April 2000	24,691,732.76	July 2003	4,986,776.50	October 2006	1,727,255.96
May 2000	23,960,840.28	August 2003	4,859,847.52	November 2006	1,683,243.14
June 2000	23,208,747.39	September 2003	4,735,514.25	December 2006	1,640,918.11
July 2000	22,435,945.33	October 2003	4,613,749.07	January 2007	1,600,261.66
August 2000	21,642,940.19	November 2003	4,494,524.65	February 2007	1,561,254.76
September 2000	20,830,252.41	December 2003	4,377,813.87	March 2007	1,523,878.57
October 2000	19,998,416.18	January 2004	4,263,589.88	April 2007	1,488,114.40
November 2000	19,173,314.59	February 2004	4,151,826.07	May 2007	1,453,943.75
December 2000	18,354,894.43	March 2004	4,042,496.08	June 2007	1,421,348.31
January 2001	17,543,102.88	April 2004	3,935,573.79	July 2007	1,390,309.92
February 2001	16,737,887.55	May 2004	3,831,033.32	August 2007	1,360,810.59
March 2001	15,939,196.46	June 2004	3,728,849.01	September 2007	1,329,164.36
April 2001	15,146,978.02	July 2004	3,628,995.46	October 2007	1,295,386.37
May 2001	14,361,181.07	August 2004	3,531,447.50	November 2007	1,259,527.41
June 2001	13,581,754.84	September 2004	3,436,180.18	December 2007	1,221,637.41
July 2001	12,808,648.96	October 2004	3,343,168.78	January 2008	1,181,765.46
August 2001	12,041,813.45	November 2004	3,252,388.82	February 2008	1,139,959.82
September 2001	11,281,198.73	December 2004	3,163,816.04	March 2008	1,096,267.91
October 2001	10,526,755.60	January 2005	3,077,426.39	April 2008	1,050,736.34
November 2001	9,778,435.27	February 2005	2,993,196.07	May 2008	1,003,410.93
December 2001	9,036,189.29	March 2005	2,911,101.47	June 2008	954,336.72
January 2002	8,299,969.64	April 2005	2,831,119.23	July 2008	903,557.97
February 2002	7,569,728.64	May 2005	2,753,226.17	August 2008	851,118.16
March 2002	7,394,193.82	June 2005	2,677,399.35	September 2008	797,060.04
April 2002	7,221,764.77	July 2005	2,603,616.03	October 2008	741,425.63
May 2002	7,052,409.26	August 2005	2,531,853.69	November 2008	684,256.18
June 2002	6,886,095.33	September 2005	2,462,090.02	December 2008	625,592.27
July 2002	6,722,791.31	October 2005	2,394,302.90	January 2009	565,473.75

SD Class (Continued)

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
February 2009	\$ 503,939.76	June 2009	\$ 244,408.67
March 2009	441,028.80	July 2009	176,361.15
April 2009	376,778.65	August 2009	107,119.11
May 2009	311,226.44	September 2009	36,717.11
		October 2009 and thereafter	0.00

FD Class Targeted Balances

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
Initial Balance	\$74,899,736.00	December 2002	\$14,280,796.09	June 2006	\$ 4,609,381.71
June 1999	73,771,702.01	January 2003	13,930,651.72	July 2006	4,487,078.32
July 1999	72,582,504.90	February 2003	13,587,218.20	August 2006	4,369,014.45
August 1999	71,332,857.84	March 2003	13,250,424.88	September 2006	4,255,142.23
September 1999	70,023,520.79	April 2003	12,920,201.78	October 2006	4,145,414.22
October 1999	68,655,299.89	May 2003	12,596,479.54	November 2006	4,039,783.45
November 1999	67,229,046.58	June 2003	12,279,189.42	December 2006	3,938,203.38
December 1999	65,745,656.82	July 2003	11,968,263.33	January 2007	3,840,627.91
January 2000	64,206,070.15	August 2003	11,663,633.80	February 2007	3,747,011.36
February 2000	62,611,268.73	September 2003	11,365,233.95	March 2007	3,657,308.48
March 2000	60,962,276.37	October 2003	11,072,997.54	April 2007	3,571,474.47
April 2000	59,260,157.36	November 2003	10,786,858.92	May 2007	3,489,464.93
May 2000	57,506,015.44	December 2003	10,506,753.05	June 2007	3,411,235.87
June 2000	55,700,992.55	January 2004	10,232,615.48	July 2007	3,336,743.73
July 2000	53,846,267.64	February 2004	9,964,382.36	August 2007	3,265,945.35
August 2000	51,943,055.35	March 2004	9,701,990.39	September 2007	3,189,994.40
September 2000	49,992,604.72	April 2004	9,445,376.90	October 2007	3,108,927.22
October 2000	47,996,197.80	May 2004	9,194,479.76	November 2007	3,022,865.71
November 2000	46,015,954.04	June 2004	8,949,237.43	December 2007	2,931,929.72
December 2000	44,051,745.69	July 2004	8,709,588.93	January 2008	2,836,237.05
January 2001	42,103,446.02	August 2004	8,475,473.82	February 2008	2,735,903.51
February 2001	40,170,929.27	September 2004	8,246,832.25	March 2008	2,631,042.92
March 2001	38,254,070.68	October 2004	8,023,604.90	April 2008	2,521,767.16
April 2001	36,352,746.48	November 2004	7,805,733.00	May 2008	2,408,186.19
May 2001	34,466,833.84	December 2004	7,593,158.32	June 2008	2,290,408.09
June 2001	32,596,210.93	January 2005	7,385,823.18	July 2008	2,168,539.07
July 2001	30,740,756.85	February 2005	7,183,670.41	August 2008	2,042,683.54
August 2001	28,900,351.66	March 2005	6,986,643.39	September 2008	1,912,944.06
September 2001	27,074,876.37	April 2005	6,794,686.00	October 2008	1,779,421.46
October 2001	25,264,212.91	May 2005	6,607,742.66	November 2008	1,642,214.80
November 2001	23,468,244.14	June 2005	6,425,758.29	December 2008	1,501,421.42
December 2001	21,686,853.84	July 2005	6,248,678.34	January 2009	1,357,136.96
January 2002	19,919,926.72	August 2005	6,076,448.73	February 2009	1,209,455.41
February 2002	18,167,348.36	September 2005	5,909,015.92	March 2009	1,058,469.09
March 2002	17,746,064.79	October 2005	5,746,326.83	April 2009	904,268.73
April 2002	17,332,235.09	November 2005	5,588,328.91	May 2009	746,943.44
May 2002	16,925,781.86	December 2005	5,434,970.08	June 2009	586,580.78
June 2002	16,526,628.43	January 2006	5,286,198.72	July 2009	423,266.76
July 2002	16,134,698.81	February 2006	5,141,963.74	August 2009	257,085.85
August 2002	15,749,917.69	March 2006	5,002,214.48	September 2009	88,121.05
September 2002	15,372,210.47	April 2006	4,866,900.78	October 2009 and thereafter	0.00
October 2002	15,001,503.19	May 2006	4,735,972.94		
November 2002	14,637,722.60				

KT Class Targeted Balances

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
Initial Balance	\$106,107,960.00	December 2002	\$ 20,231,127.92	June 2006	\$ 6,529,957.46
June 1999	104,509,911.84	January 2003	19,735,090.06	July 2006	6,356,694.33
July 1999	102,825,215.92	February 2003	19,248,559.24	August 2006	6,189,437.18
August 1999	101,054,882.57	March 2003	18,771,435.37	September 2006	6,028,118.20
September 1999	99,199,988.41	April 2003	18,303,619.30	October 2006	5,872,670.18
October 1999	97,261,675.46	May 2003	17,845,012.79	November 2006	5,723,026.59
November 1999	95,241,149.92	June 2003	17,395,518.45	December 2006	5,579,121.49
December 1999	93,139,681.08	July 2003	16,955,039.83	January 2007	5,440,889.57
January 2000	90,958,599.95	August 2003	16,523,481.32	February 2007	5,308,266.12
February 2000	88,699,297.93	September 2003	16,100,748.20	March 2007	5,181,187.05
March 2000	86,363,225.40	October 2003	15,686,746.61	April 2007	5,059,588.87
April 2000	83,951,890.12	November 2003	15,281,383.57	May 2007	4,943,408.68
May 2000	81,466,855.72	December 2003	14,884,566.92	June 2007	4,832,584.18
June 2000	78,909,739.94	January 2004	14,496,205.36	July 2007	4,727,053.65
July 2000	76,282,212.97	February 2004	14,116,208.43	August 2007	4,626,755.94
August 2000	73,585,995.54	March 2004	13,744,486.47	September 2007	4,519,158.76
September 2000	70,822,857.13	April 2004	13,380,950.69	October 2007	4,404,313.59
October 2000	67,994,613.98	May 2004	13,025,513.08	November 2007	4,282,393.12
November 2000	65,189,268.63	June 2004	12,678,086.44	December 2007	4,153,567.13
December 2000	62,406,640.12	July 2004	12,338,584.39	January 2008	4,018,002.51
January 2001	59,646,548.90	August 2004	12,006,921.32	February 2008	3,875,863.33
February 2001	56,908,816.82	September 2004	11,683,012.43	March 2008	3,727,310.83
March 2001	54,193,267.14	October 2004	11,366,773.68	April 2008	3,572,503.50
April 2001	51,499,724.50	November 2004	11,058,121.82	May 2008	3,411,597.12
May 2001	48,828,014.91	December 2004	10,756,974.36	June 2008	3,244,744.81
June 2001	46,177,965.77	January 2005	10,463,249.57	July 2008	3,072,097.04
July 2001	43,549,405.81	February 2005	10,176,866.48	August 2008	2,893,801.70
August 2001	40,942,165.11	March 2005	9,897,744.86	September 2008	2,710,004.10
September 2001	38,356,075.10	April 2005	9,625,805.23	October 2008	2,520,847.09
October 2001	35,790,968.51	May 2005	9,360,968.83	November 2008	2,326,470.98
November 2001	33,246,679.41	June 2005	9,103,157.64	December 2008	2,127,013.69
December 2001	30,723,043.13	July 2005	8,852,294.37	January 2009	1,922,610.71
January 2002	28,219,896.36	August 2005	8,608,302.42	February 2009	1,713,395.17
February 2002	25,737,077.00	September 2005	8,371,105.94	March 2009	1,499,497.89
March 2002	25,140,258.61	October 2005	8,140,629.73	April 2009	1,281,047.38
April 2002	24,553,999.86	November 2005	7,916,799.34	May 2009	1,058,169.88
May 2002	23,978,191.12	December 2005	7,699,540.99	June 2009	830,989.45
June 2002	23,412,723.76	January 2006	7,488,781.57	July 2009	599,627.91
July 2002	22,857,490.12	February 2006	7,284,448.68	August 2009	364,204.96
August 2002	22,312,383.54	March 2006	7,086,470.56	September 2009	124,838.16
September 2002	21,777,298.30	April 2006	6,894,776.15	October 2009 and thereafter	0.00
October 2002	21,252,129.65	May 2006	6,709,295.04		
November 2002	20,736,773.81				

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\$690,025,942



**Guaranteed REMIC
Pass-Through Certificates**

Fannie Mae REMIC Trust 1999-31

PROSPECTUS SUPPLEMENT

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Merrill Lynch & Co.

April 29, 1999
