

\$284,886,786



**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2014-32**

The Certificates

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

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 the accrual classes), and
- principal to the extent available for payment on your class.

We will pay principal at rates that may 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 available for distribution to investors on time.

The Trust and its Assets

The trust will own

- Fannie Mae MBS and
- an underlying REMIC certificate backed 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(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
LG(2)	1	\$ 90,000,000	SEQ	3.0%	FIX	3136AKAZ6	December 2040
LI(2)	1	30,000,000(3)	NTL	4.5	FIX/IO	3136AKBA0	December 2040
VL(2)	1	10,844,000	SEQ/AD	4.5	FIX	3136AKBB8	March 2027
VM(2)	1	5,368,000	SEQ/AD	4.5	FIX	3136AKBC6	July 2031
ZL(2)	1	14,073,000	SEQ	4.5	FIX/Z	3136AKBD4	June 2044
DH(2)	2	25,559,000	SEQ/AD	2.5	FIX	3136AKBE2	August 2043
DI(2)	2	7,302,571(3)	NTL	3.5	FIX/IO	3136AKBF9	August 2043
DZ	2	571,503	SEQ	3.5	FIX/Z	3136AKBG7	June 2044
EG	3	117,739,422	PT	3.0	FIX	3136AKBH5	June 2044
EI	3	29,434,855(3)	NTL	4.0	FIX/IO	3136AKBJ1	June 2044
HP	4	20,731,861	SC/PT	1.5	FIX	3136AKBK8	March 2042
HI	4	11,846,777(3)	NTL	3.5	FIX/IO	3136AKBL6	March 2042
R		0	NPR	0	NPR	3136AKBM4	June 2044
RL		0	NPR	0	NPR	3136AKBN2	June 2044

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

(2) Exchangeable classes.

(3) Notional principal balances. These classes are interest only classes. See page S-5 for a description of how their notional principal balances are calculated.

If you own certificates of certain classes, you can exchange them for certificates of the corresponding RCR classes to be delivered at the time of exchange. The LY, LJ, LM, LA, DK and DA Classes are the RCR classes. For a more detailed description of the RCR classes, see Schedule 1 attached to this prospectus supplement and “Description of the Certificates—Combination and Recombination—RCR Certificates” in the REMIC prospectus.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be May 30, 2014.

Carefully consider the risk factors on page S-7 of this prospectus supplement and starting on page 13 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.

BofA Merrill Lynch

The date of this Prospectus Supplement is May 23, 2014

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AVAILABLE INFORMATION

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

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated August 1, 2012 (the “REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated
 - March 1, 2013, for all MBS issued on or after March 1, 2013,
 - February 1, 2012, for all MBS issued on or after February 1, 2012 and prior to March 1, 2013,
 - July 1, 2011, for all MBS issued on or after July 1, 2011 and prior to February 1, 2012,
 - June 1, 2009, for all MBS issued on or after January 1, 2009 and prior to July 1, 2011,
 - April 1, 2008, for all MBS issued on or after June 1, 2007 and prior to January 1, 2009, or
 - January 1, 2006, for all other MBS(as applicable, the “MBS Prospectus”);
- if you are purchasing a Group 4 Class or the R or RL Class, the disclosure document relating to the underlying REMIC certificate (the “Underlying REMIC Disclosure Document”); and
- any information incorporated by reference in this prospectus supplement as discussed below and under the heading “Incorporation by Reference” in the REMIC Prospectus.

For a description of current servicing policies generally applicable to existing Fannie Mae MBS pools, see “Yield, Maturity and Prepayment Considerations” in the MBS Prospectus dated March 1, 2013.

The MBS Prospectus and the Underlying REMIC Disclosure Document are incorporated by reference in this prospectus supplement. This means that we are disclosing information in those documents by referring you to them. Those documents are considered part of this prospectus supplement, so you should read this prospectus supplement, and any applicable supplements or amendments, together with those documents.

You can obtain copies of 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).

In addition, the Disclosure Documents, together with the class factors, are available on our corporate Web site at www.fanniemae.com.

You also can obtain copies of the REMIC Prospectus, the MBS Prospectus and the Underlying REMIC Disclosure Document by writing or calling the dealer at:

Merrill Lynch, Pierce, Fenner & Smith Incorporated
Mortgage Finance Department
One Bryant Park
New York, New York 10036
(telephone 646-855-8340).

SUMMARY

This summary contains only limited information about the certificates. Statistical information in this summary is provided as of May 1, 2014. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3. In particular, please see the discussion of risk factors that appears in each of those additional disclosure documents.

Assets Underlying Each Group of Classes

<u>Group</u>	<u>Assets</u>
1	Group 1 MBS
2	Group 2 MBS
3	Group 3 MBS
4	Class 2012-98-JP REMIC Certificate

Group 1, Group 2 and Group 3

Characteristics of the Trust MBS

	<u>Approximate Principal Balance</u>	<u>Pass- Through Rate</u>	<u>Range of Weighted Average Coupons or WACs (annual percentages)</u>	<u>Range of Weighted Average Remaining Terms to Maturity or WAMs (in months)</u>
Group 1 MBS	\$120,285,000	4.50%	4.75% to 7.00%	241 to 360
Group 2 MBS	\$ 26,130,503	3.50%	3.75% to 6.00%	241 to 360
Group 3 MBS	\$117,739,422	4.00%	4.25% to 6.50%	241 to 360

Assumed Characteristics of the Underlying Mortgage Loans

	<u>Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Remaining Term to Maturity (in months)</u>	<u>Loan Age (in months)</u>	<u>Interest Rate</u>
Group 1 MBS	\$120,285,000	360	347	5	5.057%
Group 2 MBS	\$ 26,130,503	360	351	8	4.280%
Group 3 MBS	\$117,739,422	360	354	4	4.602%

The actual remaining terms to maturity, loan ages and interest rates of most of the mortgage loans underlying the Trust MBS will differ from those shown above, and may differ significantly. See “Risk Factors—Risks Relating to Yield and Prepayment—*Yield—Yields on and weighted average lives of the certificates are affected by actual characteristics of the mortgage loans backing the series trust assets*” in the REMIC Prospectus.

Group 4

Exhibit A describes the underlying REMIC certificate in Group 4, including certain information about the related mortgage loans. To learn more about the underlying REMIC Certificate, you should obtain from us the current class factor and the related disclosure document as described on page S-3.

Settlement Date

We expect to issue the certificates on May 30, 2014.

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.

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.

Book-Entry and Physical Certificates

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

<u>Fed Book-Entry</u>	<u>Physical</u>
All classes of certificates other than the R and RL Classes	R and RL Classes

Exchanging Certificates Through Combination and Recombination

If you own certificates of a class designated as “exchangeable” on the cover of this prospectus supplement, you will be able to exchange them for a proportionate interest in the related RCR certificates. Schedule 1 lists the available combinations of the certificates eligible for exchange and the related RCR certificates. You can exchange your certificates by notifying us and paying an exchange fee. We will deliver the RCR certificates upon such exchange.

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

Interest Rates

During each interest accrual period, the fixed rate classes will bear interest at the applicable annual interest rates listed on the cover of this prospectus supplement or on Schedule 1.

Notional Classes

The notional principal balances of the notional classes specified below will equal the percentages of the outstanding balances specified below immediately before the related distribution date:

<u>Class</u>	
LI	33.3333333333% of the LG Class
DI	28.5714268946% of the DH Class
EI	24.9999995753% of the EG Class
HI	57.1428536975% of the HP Class

Distributions of Principal

For a description of the principal payment priorities, see “Description of the Certificates—Distributions of Principal” in this prospectus supplement.

Weighted Average Lives (years)*

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>250%</u>	<u>375%</u>	<u>500%</u>	<u>700%</u>
LG, LI, LJ, LM and LA	17.1	7.0	3.7	2.7	2.2	1.7
VL	7.0	7.0	6.5	5.4	4.5	3.6
VM	15.0	14.8	8.8	6.2	4.8	3.6
ZL	28.3	21.6	14.6	10.9	8.5	6.2
LY	28.3	21.4	13.1	9.4	7.2	5.2

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>						
	<u>0%</u>	<u>100%</u>	<u>250%</u>	<u>375%</u>	<u>500%</u>	<u>700%</u>	<u>900%</u>
DH, DI, DK and DA	18.6	9.6	5.3	3.8	3.0	2.2	1.8
DZ	29.6	27.0	20.8	15.8	12.3	8.8	6.6

<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>						
	<u>0%</u>	<u>100%</u>	<u>300%</u>	<u>450%</u>	<u>600%</u>	<u>1000%</u>	<u>1400%</u>
EG and EI	19.6	10.7	5.3	3.8	3.0	2.0	1.5

<u>Group 4 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>400%</u>	<u>600%</u>
HP and HI	15.1	6.1	5.4	4.8	3.7	2.4

* Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

ADDITIONAL RISK FACTOR

Payments on the Group 4 Classes will be affected by the payment priority governing the related underlying REMIC certificate. If you invest in a Group 4 Class, the rate at which you receive payments will be affected by the priority sequence governing principal payments on the Group 4 Underlying REMIC Certificate.

In particular, as described in the Underlying REMIC Disclosure Document, principal payments on the Group 4 Underlying REMIC Certificate are governed by a principal balance schedule. As a result, the Group 4 Underlying REMIC Certificate may receive principal payments faster or slower than would otherwise have been the case. In some cases, the Group 4 Underlying REMIC Certificate 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. In certain high prepayment scenarios, it is possible that the effect of a principal balance schedule on principal

payments over time may be eliminated. In such a case, the Group 4 Underlying REMIC Certificate would receive principal payments at rates that may vary widely from period to period. This prospectus supplement contains no information as to whether

- the Group 4 Underlying REMIC Certificate has adhered to the related principal balance schedule,
- any related support classes remain outstanding, or
- the Group 4 Underlying REMIC Certificate otherwise has performed as originally anticipated.

You may obtain additional information about the Group 4 Underlying REMIC Certificate by reviewing its current class factor in light of other information available in the Underlying REMIC Disclosure Document. You may obtain that document from us as described on page S-3.

DESCRIPTION OF THE CERTIFICATES

The material under this heading describes the principal 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 that term in the applicable Disclosure Document or in the Trust Agreement.

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover of this prospectus supplement (the “Trust”) pursuant to a trust agreement dated as of May 1, 2010 and a supplement thereto dated as of May 1, 2014 (the “Issue Date”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “REMIC Certificates”) pursuant to that trust agreement and supplement. We will issue the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the REMIC Certificates, the “Certificates”) pursuant to a separate trust agreement dated as of May 1, 2010 and a supplement thereto dated as of the Issue Date (together with the trust agreement and supplement relating to the REMIC Certificates, the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). In general, the term “Classes” includes the Classes of REMIC Certificates and RCR Certificates.

The assets of the Trust will include:

- three groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS,” “Group 2 MBS” and “Group 3 MBS,” and together, the “Trust MBS”), and
- a previously issued REMIC certificate (the “Group 4 Underlying REMIC Certificate”) issued from the related Fannie Mae REMIC trust (the “Underlying REMIC Trust”), as further described in Exhibit A.

The Group 4 Underlying REMIC Certificate evidences 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 of first lien, one- to four-family (“single-family”), fixed-rate residential mortgage loans (the “Mortgage Loans”) having the characteristics described in this prospectus supplement.

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

The following chart contains information about the assets, the “regular interests” and the “residual interests” of each REMIC. The REMIC Certificates other than the R and RL Classes are collectively referred to as the “Regular Classes” or “Regular Certificates,” and the R and RL Classes are collectively referred to as the “Residual Classes” or “Residual Certificates.”

REMIC Designation	Assets	Regular Interests	Residual Interest
Lower Tier REMIC	Trust MBS and Group 4 Underlying REMIC Certificate	Interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”)	RL
Upper Tier REMIC	Lower Tier Regular Interests	All Classes of REMIC Certificates other than the R and RL Classes	R

Fannie Mae Guaranty. For a description of our guaranties of the Certificates, the Trust MBS and the Group 4 Underlying REMIC Certificate, see the applicable discussions appearing under the heading “Fannie Mae Guaranty” in the REMIC Prospectus, the MBS Prospectus and the Underlying REMIC Disclosure Document. Our guaranties are not backed by the full faith and credit of the United States.

Characteristics of Certificates. Except as specified below, we will issue the Certificates 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.”

We will issue the Residual Certificates in fully registered, certificated form. The “Holder” or “Certificateholder” of a Residual Certificate is its registered owner. A Residual 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. U.S. Bank National Association in Boston, Massachusetts will be the initial Transfer Agent. We may impose a service charge for any registration of transfer of a Residual Certificate and may require payment to cover any tax or other governmental charge. See also “—Characteristics of the Residual Classes” below.

Authorized Denominations. We will issue the Certificates in the following denominations:

<u>Classes</u>	<u>Denominations</u>
Interest Only Classes	\$100,000 minimum plus whole dollar increments
All other Classes (except the R and RL Classes)	\$1,000 minimum plus whole dollar increments

The Trust MBS

The Trust MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the Trust MBS are conventional, fixed-rate,

fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 30 years.

In addition, the Mortgage Loans backing the Group 1 MBS have been refinanced under Fannie Mae Refi Plus and are designated as “high loan-to-value ratio” loans, with loan-to-value ratios ranging from greater than 105% up to 125% at the time of refinance. These loans are targeted at borrowers who have demonstrated an acceptable payment history on their mortgage loans but may have been unable to refinance due to a decline in home prices or the unavailability of mortgage insurance. Fannie Mae Refi Plus refinancing is available only if the new mortgage loan either reduces the monthly principal and interest payment for the borrower or provides a more stable loan product (such as movement from an adjustable-rate loan to a fixed rate loan). For more information on the Home Affordable Refinance Program, see “The Mortgage Loans—High Loan-to-Value Mortgage Loans” in the MBS Prospectus dated March 1, 2013 and on our Web site at www.fanniemae.com. See also “Risk Factors—Risks Relating to Yield and Prepayment—Refinancing of Loans; Sale of Property—*Mortgage loans with loan-to-value ratios greater than 80% may have different prepayment and default characteristics than conforming mortgage loans generally*” in the MBS Prospectus dated March 1, 2013.

Furthermore, the Mortgage Loans backing the Group 2 MBS are relocation Mortgage Loans made under agreements between lenders and employers that frequently relocate their employees. For additional information, see “Risk Factors—Risks Relating to Yield and Prepayment—*Yield—Prepayments—Pools Containing relocation mortgage loans have higher rates of prepayment than otherwise comparable pools containing non-relocation mortgage loans*” and “The Mortgage Loans—Special Feature Mortgage Loans—*Relocation Loans*” in the MBS Prospectus dated March 1, 2013.

Finally, the pools of mortgage loans backing the Group 3 MBS have been designated as pools that include “jumbo-conforming” or “high balance” mortgage loans as described further under “The Mortgage Loans—Special Feature Mortgage Loans—*Loans with Original Principal Balances Exceeding our Traditional Conforming Loan Limits*” in the MBS Prospectus dated March 1, 2013. For periodic updates to that description, please refer to the Pool Prefix Glossary available on our Web site at www.fanniemae.com. For additional information about the particular pools underlying the Group 3 MBS, see the Final Data Statement for the Trust and the related prospectus supplement for each MBS. See also “Risk Factors—Risks Relating to Yield and Prepayment—Refinancing of Loans; Sale of Property—*“Jumbo-conforming” mortgage loans, which have original principal balances that exceed our traditional conforming loan limits, may prepay at different rates than conforming balance mortgage loans generally*” in the MBS Prospectus dated March 1, 2013.

For additional information, see “Summary—Group 1, Group 2 and Group 3—Characteristics of the Trust MBS” in this prospectus supplement and “The Mortgage Loan Pools” and “Yield, Maturity and Prepayment Considerations” in the MBS Prospectus.

The Group 4 Underlying REMIC Certificate

The Group 4 Underlying REMIC Certificate represents beneficial ownership interests in the Underlying REMIC Trust. The assets of that trust consist of MBS (or beneficial ownership interests in MBS) having the general characteristics set forth in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a pool of conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties, as described under “The Mortgage Loan Pools” and “Yield, Maturity and Prepayment Considerations” in the MBS Prospectus.

Distributions on the Group 4 Underlying REMIC Certificate will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Group 4 Underlying REMIC Certificate are described in the Underlying REMIC Disclosure Document. See Exhibit A for certain additional information about the Group 4 Underlying REMIC Certificate. Exhibit A is provided in lieu of a Final Data Statement with respect to the Group 4 Underlying REMIC Certificate.

For further information about the Group 4 Underlying REMIC Certificate, telephone us at 1-800-237-8627. Additional information about the Group 4 Underlying REMIC Certificate is also available at <https://mbsdisclosure.fanniemae.com/PoolTalk2/index.html>. 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 that document may be limited.

Distributions of Interest

General. The Certificates will bear interest at the rates specified in this prospectus supplement. Interest to be paid on each Certificate (or added to principal, in the case of the Accrual Classes) on a Distribution Date will consist of one month's interest on the outstanding balance of that Certificate immediately prior to that Distribution Date. For a description of the Accrual Classes, see “—*Accrual Classes*” below.

Delay Classes and No-Delay Classes. The “Delay” Classes and “No-Delay” Classes are set forth in the following table:

<u>Delay Classes</u>	<u>No-Delay Classes</u>
Fixed Rate Classes	—

See “Description of the Certificates—Distributions on Certificates—*Interest Distributions*” in the REMIC Prospectus.

Accrual Classes. The ZL and DZ Classes are Accrual Classes. Interest will accrue on each Accrual Class at the applicable annual rate specified on the cover of this prospectus supplement. However, we will not pay any interest on the Accrual Classes. Instead, interest accrued on each Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on the Accrual Classes as described under “—Distributions of Principal” below.

Distributions of Principal

On the Distribution Date in each month, we will make payments of principal on the Classes of REMIC Certificates as described below. Following any exchange of REMIC Certificates for RCR Certificates, we will apply principal payments from the exchanged REMIC Certificates to the corresponding RCR Certificates on a pro rata basis.

- *Group 1*

The ZL Accrual Amount to VL and VM, in that order, until retired, and thereafter to ZL. } **Accretion
Directed
Classes and
Accrual Class**

The Group 1 Cash Flow Distribution Amount to LG, VM, VL and ZL, in that order, until retired. } **Sequential
Pay Classes**

The “ZL Accrual Amount” is any interest then accrued and added to the principal balance of the ZL Class.

The “Group 1 Cash Flow Distribution Amount” is the principal then paid on the Group 1 MBS.

- *Group 2*

The Group 2 Principal Distribution Amount to DH and DZ, in that order, until retired. } **Sequential
Pay Classes**

The “Group 2 Principal Distribution Amount” is the *sum* of the principal then paid on the Group 2 MBS *plus* any interest then accrued and added to the principal balance of the DZ Class.

- *Group 3*

The Group 3 Principal Distribution Amount to EG until retired.

} Pass-Through
Class

The “Group 3 Principal Distribution Amount” is the principal then paid on the Group 3 MBS.

- *Group 4*

The Group 4 Principal Distribution Amount to HP until retired.

} Structured
Collateral/
Pass-Through
Class

The “Group 4 Principal Distribution Amount” is the principal then paid on the Group 4 Underlying REMIC Certificate.

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 backing the Group 4 Underlying REMIC Certificate, the priority sequence governing principal payments on the Group 4 Underlying REMIC Certificate, and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Trust MBS have the original terms to maturity, remaining terms to maturity, loan ages and interest rates specified under “Summary—Group 1, Group 2 and Group 3—Assumed Characteristics of the Underlying Mortgage Loans” in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related tables;
- the settlement date for the Certificates is May 30, 2014; and
- each Distribution Date occurs on the 25th day of a month.

The actual remaining terms to maturity, loan ages and interest rates of most of the mortgage loans underlying the Trust MBS will differ from the assumed characteristics shown in the Summary, and may differ significantly. See “Risk Factors—Risks Relating to Yield and Prepayment—Yield—Yields on and weighted average lives of the certificates are affected by actual characteristics of the mortgage loans backing the series trust assets” in the REMIC Prospectus.

Prepayment Assumptions. The prepayment model used in this prospectus supplement is PSA. For a description of PSA, see “Yield, Maturity and Prepayment Considerations—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.

Yield Tables for the Fixed Rate Interest Only Classes

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. **The tables below are provided for illustrative purposes only and are not intended as a forecast or prediction of the actual yields on the applicable Classes.** 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 the assumed streams of cash flows to equal the assumed aggregate purchase prices of those Classes, and
- converting the 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 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 (or notional principal balance reductions) 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, or
- all of the Mortgage Loans will prepay at the same rate.

The yields to investors in the Fixed Rate Interest Only Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Mortgage Loans generally can be prepaid at any time without penalty. On the basis of the assumptions described below, the yield to maturity on each Fixed Rate Interest Only Class would be 0% if prepayments of the related Mortgage Loans were to occur at the following constant rates:

<u>Class</u>	<u>% PSA</u>
LI	180%
DI	267%
EI	293%
HI	291%

For any Fixed Rate Interest Only Class, if the actual prepayment rate of the related Mortgage Loans were to exceed the level specified for as little as one month while equaling that level for the remaining months, the investors in the applicable Class would lose money on their initial investments.

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

<u>Class</u>	<u>Price*</u>
LI	21.0000%
DI	17.5000%
EI	21.5000%
HI	17.0625%

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

Sensitivity of the LI Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>250%</u>	<u>375%</u>	<u>500%</u>	<u>700%</u>
Pre-Tax Yields to Maturity	14.3%	9.3%	(8.8)%	(24.8)%	(40.0)%	(61.7)%

Sensitivity of the DI Class to Prepayments

	PSA Prepayment Assumption						
	<u>50%</u>	<u>100%</u>	<u>250%</u>	<u>375%</u>	<u>500%</u>	<u>700%</u>	<u>900%</u>
Pre-Tax Yields to Maturity	14.6%	11.4%	1.2%	(8.3)%	(18.4)%	(35.6)%	(53.3)%

Sensitivity of the EI Class to Prepayments

	PSA Prepayment Assumption						
	<u>50%</u>	<u>100%</u>	<u>300%</u>	<u>450%</u>	<u>600%</u>	<u>1000%</u>	<u>1400%</u>
Pre-Tax Yields to Maturity	13.7%	10.9%	(0.4)%	(9.3)%	(18.6)%	(45.5)%	(75.7)%

Sensitivity of the HI Class to Prepayments

	PSA Prepayment Assumption					
	50%	100%	200%	300%	400%	600%
Pre-Tax Yields to Maturity	11.3%	5.2%	2.3%	(0.7)%	(9.2)%	(30.0)%

Weighted Average Lives of the Certificates

For a description of how the weighted average life of a Certificate is determined, see “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

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

- the timing of changes in the rate of principal distributions,
- the priority sequences of distributions of principal of the Group 1 and Group 2 Classes, and
- in the case of the Group 4 Classes, the priority sequence affecting principal payments on the Group 4 Underlying REMIC Certificate.

See “—Distributions of Principal” above 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 those Classes of Certificates could result in variability in the related yields to maturity. For an example of how the weighted average lives of the Classes may be affected at various constant prepayment rates, see the Decrement Tables below.

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at various constant PSA rates, and the corresponding weighted average lives of those Classes. The tables have been prepared on the basis of the Pricing Assumptions.

In the case of the information set forth for each Class under 0% PSA, however, we assumed that the 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 Backing Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1 MBS	360 months	360 months	7.00%
Group 2 MBS	360 months	360 months	6.00%
Group 3 MBS	360 months	360 months	6.50%
Group 4 Underlying REMIC Certificate	360 months	339 months	6.00%

It is unlikely that all of the Mortgage Loans will have the loan ages, interest rates or remaining terms to maturity assumed, or that the 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, even if the weighted average remaining term to maturity and the weighted average loan age of the Mortgage Loans are identical to the weighted averages specified in the Pricing Assumptions. This is the case because pools of loans with identical weighted averages are nonetheless likely to reflect differing dispersions of the related characteristics.

Percent of Original Principal Balances Outstanding

Date	LG, LI†, LJ, LM and LA Classes						VL Class						VM Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	250%	375%	500%	700%	0%	100%	250%	375%	500%	700%	0%	100%	250%	375%	500%	700%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2015	99	95	90	87	83	77	94	94	94	94	94	94	100	100	100	100	100	100
May 2016	97	87	74	64	54	39	88	88	88	88	88	88	100	100	100	100	100	100
May 2017	96	78	56	40	26	8	81	81	81	81	81	81	100	100	100	100	100	100
May 2018	94	69	41	23	8	0	74	74	74	74	74	40	100	100	100	100	100	0
May 2019	92	61	29	9	0	0	67	67	67	67	67	0	100	100	100	100	10	0
May 2020	90	53	18	0	0	0	60	60	60	60	60	0	100	100	100	79	0	0
May 2021	88	46	9	0	0	0	52	52	52	26	0	0	100	100	100	0	0	0
May 2022	86	39	2	0	0	0	44	44	44	0	0	0	100	100	100	0	0	0
May 2023	84	33	0	0	0	0	35	35	35	0	0	0	100	100	29	0	0	0
May 2024	81	27	0	0	0	0	26	26	0	0	0	0	100	100	0	0	0	0
May 2025	78	22	0	0	0	0	17	17	0	0	0	0	100	100	0	0	0	0
May 2026	75	16	0	0	0	0	7	7	0	0	0	0	100	100	0	0	0	0
May 2027	72	12	0	0	0	0	0	0	0	0	0	0	94	94	0	0	0	0
May 2028	69	7	0	0	0	0	0	0	0	0	0	0	73	73	0	0	0	0
May 2029	65	3	0	0	0	0	0	0	0	0	0	0	50	50	0	0	0	0
May 2030	61	0	0	0	0	0	0	0	0	0	0	0	26	9	0	0	0	0
May 2031	57	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0
May 2032	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2033	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2034	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2035	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2036	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2037	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2038	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2039	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2040	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2041	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2042	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2043	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2044	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average																		
Life (years)**	17.1	7.0	3.7	2.7	2.2	1.7	7.0	7.0	6.5	5.4	4.5	3.6	15.0	14.8	8.8	6.2	4.8	3.6

Date	ZL Class						LY Class						DH, DI†, DK and DA Classes							
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption							
	0%	100%	250%	375%	500%	700%	0%	100%	250%	375%	500%	700%	0%	100%	250%	375%	500%	700%	900%	
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
May 2015	105	105	105	105	105	105	100	100	100	100	100	100	99	95	91	87	83	78	72	
May 2016	109	109	109	109	109	109	100	100	100	100	100	100	97	88	77	68	60	47	36	
May 2017	114	114	114	114	114	114	100	100	100	100	100	100	96	81	64	51	40	26	15	
May 2018	120	120	120	120	120	120	100	100	100	100	100	70	94	74	52	38	27	13	5	
May 2019	125	125	125	125	125	85	100	100	100	100	84	40	92	68	43	28	17	6	1	
May 2020	131	131	131	131	124	48	100	100	100	96	58	22	91	62	35	21	11	2	0	
May 2021	137	137	137	137	85	27	100	100	100	73	39	13	89	57	29	15	6	*	0	
May 2022	143	143	143	118	58	15	100	100	100	55	27	7	87	51	23	10	3	0	0	
May 2023	150	150	150	89	39	9	100	100	87	41	18	4	85	46	18	7	1	0	0	
May 2024	157	157	155	67	27	5	100	100	72	31	12	2	82	42	14	4	0	0	0	
May 2025	164	164	128	50	18	3	100	100	59	23	8	1	80	38	11	2	0	0	0	
May 2026	171	171	105	38	12	2	100	100	49	17	6	1	77	34	8	1	0	0	0	
May 2027	179	179	86	28	8	1	100	100	40	13	4	*	75	30	6	0	0	0	0	
May 2028	188	188	70	21	6	*	100	100	32	10	3	*	72	26	4	0	0	0	0	
May 2029	196	196	56	15	4	*	100	100	26	7	2	*	69	23	3	0	0	0	0	
May 2030	205	205	46	11	2	*	100	97	21	5	1	*	66	20	1	0	0	0	0	
May 2031	215	185	37	8	2	*	100	86	17	4	1	*	62	17	*	0	0	0	0	
May 2032	215	163	29	6	1	*	100	76	14	3	*	*	59	15	0	0	0	0	0	
May 2033	215	143	23	4	1	*	100	66	11	2	*	*	55	12	0	0	0	0	0	
May 2034	215	123	18	3	*	*	100	57	8	1	*	*	51	10	0	0	0	0	0	
May 2035	215	105	14	2	*	*	100	49	6	1	*	*	46	7	0	0	0	0	0	
May 2036	215	89	11	2	*	*	100	41	5	1	*	*	42	5	0	0	0	0	0	
May 2037	215	73	8	1	*	*	100	34	4	*	*	*	37	3	0	0	0	0	0	
May 2038	215	58	6	1	*	*	100	27	3	*	*	*	32	2	0	0	0	0	0	
May 2039	215	45	4	*	*	*	100	21	2	*	*	*	26	0	0	0	0	0	0	
May 2040	215	32	3	*	*	*	100	15	1	*	*	*	21	0	0	0	0	0	0	
May 2041	184	20	1	*	*	*	86	9	1	*	*	*	14	0	0	0	0	0	0	
May 2042	127	9	1	*	*	*	59	4	*	*	*	*	8	0	0	0	0	0	0	
May 2043	66	0	0	0	0	0	31	0	0	0	0	0	1	0	0	0	0	0	0	
May 2044	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Weighted Average																				
Life (years)**	28.3	21.6	14.6	10.9	8.5	6.2	28.3	21.4	13.1	9.4	7.2	5.2	18.6	9.6	5.3	3.8	3.0	2.2	1.8	

* Indicates an outstanding balance greater than 0% and less than 0.5% of the original principal balance.
 ** Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.
 † In the case of a Notional Class, the Decrement Table indicates the percentage of the original notional principal balance outstanding.

Date	DZ Class							EG and EI† Classes							HP and HI† Classes					
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption					
	0%	100%	250%	375%	500%	700%	900%	0%	100%	300%	450%	600%	1000%	1400%	0%	100%	200%	300%	400%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2015	104	104	104	104	104	104	104	99	96	92	89	86	77	69	98	90	87	87	87	82
May 2016	107	107	107	107	107	107	107	98	90	78	70	61	42	24	96	80	76	76	71	50
May 2017	111	111	111	111	111	111	111	96	83	63	50	39	16	4	94	71	65	65	52	30
May 2018	115	115	115	115	115	115	115	95	77	51	36	24	6	1	92	62	55	51	37	17
May 2019	119	119	119	119	119	119	119	94	71	41	26	15	3	*	89	54	46	40	26	9
May 2020	123	123	123	123	123	123	70	92	65	33	18	10	1	*	87	46	38	31	18	4
May 2021	128	128	128	128	128	128	31	90	60	26	13	6	*	*	84	39	31	24	12	1
May 2022	132	132	132	132	132	73	14	89	55	21	9	4	*	*	82	33	25	18	8	0
May 2023	137	137	137	137	137	41	6	87	50	17	7	2	*	*	79	27	19	13	5	0
May 2024	142	142	142	142	130	23	3	85	45	13	5	1	*	*	75	21	15	10	2	0
May 2025	147	147	147	147	88	13	1	83	41	10	3	1	*	*	72	16	12	7	1	0
May 2026	152	152	152	152	59	7	1	80	37	8	2	1	*	0	68	11	9	4	0	0
May 2027	158	158	158	139	40	4	*	78	34	7	2	*	*	0	65	6	6	2	0	0
May 2028	163	163	163	103	27	2	*	75	31	5	1	*	*	0	61	4	4	1	0	0
May 2029	169	169	169	76	18	1	*	73	27	4	1	*	*	0	56	2	2	0	0	0
May 2030	175	175	175	56	12	1	*	70	24	3	1	*	*	0	52	1	1	0	0	0
May 2031	181	181	181	41	8	*	*	66	22	2	*	*	*	0	47	0	0	0	0	0
May 2032	188	188	146	30	5	*	*	63	19	2	*	*	*	0	42	0	0	0	0	0
May 2033	194	194	116	21	3	*	*	59	17	1	*	*	*	0	36	0	0	0	0	0
May 2034	201	201	90	15	2	*	*	56	15	1	*	*	*	0	30	0	0	0	0	0
May 2035	208	208	70	11	1	*	*	52	13	1	*	*	0	0	24	0	0	0	0	0
May 2036	216	216	53	7	1	*	*	47	11	1	*	*	0	0	18	0	0	0	0	0
May 2037	223	223	40	5	1	*	*	43	9	*	*	*	0	0	11	0	0	0	0	0
May 2038	231	231	29	3	*	*	*	38	7	*	*	*	0	0	4	0	0	0	0	0
May 2039	240	236	20	2	*	*	*	32	6	*	*	*	0	0	0	0	0	0	0	0
May 2040	248	173	14	1	*	*	*	27	4	*	*	*	0	0	0	0	0	0	0	0
May 2041	257	115	8	1	*	*	*	0	21	3	*	*	*	0	0	0	0	0	0	0
May 2042	266	61	4	*	*	*	*	0	14	2	*	*	*	0	0	0	0	0	0	0
May 2043	276	12	1	*	*	*	*	0	7	1	*	*	*	0	0	0	0	0	0	0
May 2044	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average																				
Life (years)**	29.6	27.0	20.8	15.8	12.3	8.8	6.6	19.6	10.7	5.3	3.8	3.0	2.0	1.5	15.1	6.1	5.4	4.8	3.7	2.4

* Indicates an outstanding balance greater than 0% and less than 0.5% of the original principal balance.
 ** Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.
 † In the case of a Notional Class, the Decrement Table indicates the percentage of the original notional principal balance outstanding.

Characteristics of the Residual Classes

A Residual Certificate will be subject to certain transfer restrictions. See “Description of the Certificates—Special Characteristics of the Residual Certificates” and “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the REMIC Prospectus.

Treasury Department regulations (the “Regulations”) provide that a transfer of a “noneconomic residual interest” will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. A Residual Certificate will constitute a noneconomic residual interest under the Regulations. Having a significant purpose to impede the assessment or collection of tax means that the transferor of a Residual Certificate had “improper knowledge” at the time of the transfer. See “Description of the Certificates—Special Characteristics of the Residual Certificates” in the REMIC Prospectus. You should consult your own tax advisor regarding the application of the Regulations to a transfer of a Residual Certificate.

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 “Material 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.

U.S. Treasury Circular 230 Notice

The tax discussions contained in the REMIC Prospectus (including the sections entitled “Material Federal Income Tax Consequences” and “ERISA Considerations”) and this prospectus supplement were not intended or written to be used, and cannot be used, for the purpose of avoiding United States federal tax penalties. These discussions were written to support the promotion or marketing of the transactions or matters addressed in this prospectus supplement. You should seek advice based on your particular circumstances from an independent tax advisor.

REMIC Elections and Special Tax Attributes

We will make a REMIC election with respect to each REMIC set forth in the table under “Description of the Certificates—General—*Structure*.” The Regular Classes will be designated as “regular interests” and the Residual Classes will be designated as the “residual interests” in the REMICs as set forth in that table. Thus, 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, as “real estate assets” for real estate investment trusts, and, except for the Residual Classes, as “qualified mortgages” for other REMICs. See “Material Federal Income Tax Consequences—REMIC Election and Special Tax Attributes” in the REMIC Prospectus.

Notwithstanding the foregoing, the Mortgage Loans underlying the Group 1 MBS have loan-to-value ratios at origination ranging from greater than 105% up to 125%. See “Description of the Certificates—The Trust MBS” in this prospectus supplement. A portion of the Group 1 Classes may not be treated as “real estate assets” within the meaning of section 856(c)(5)(B) of the Code. See “Material Federal Income Tax Consequences—Special Tax Attributes” in the MBS Prospectus dated March 1, 2013. Accordingly, special tax considerations may apply to a real estate investment trust that holds a REMIC Certificate of a Group 1 Class, and we may be obligated to provide additional information, pursuant to Regulations under section 6049 of the Code, on such Classes. See “Material Federal Income Tax Consequences—REMIC Election and Special Tax Attributes” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Accrual Classes and the Notional Classes 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 “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Treatment of Original Issue Discount*” in the REMIC Prospectus. In addition, the VL and VM Classes will be treated as having been issued at a premium, and certain other Classes of REMIC Certificates may be treated as having been issued at a premium. See “Material 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>Group</u>	<u>Prepayment Assumption</u>
1	250% PSA
2	250% PSA
3	300% PSA
4	200% PSA

See “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Treatment 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 at any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” in this prospectus supplement and “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

The Holder of a Residual Certificate will be considered to be the holder of the “residual interest” in the related REMIC. Such Holder generally will be required to report its daily portion of the taxable income or net loss of the REMIC to which that Certificate relates. In certain periods, a Holder of a Residual Certificate may be required to recognize taxable income without being entitled to receive a corresponding amount of cash. Pursuant to the Trust Agreement, we will be obligated to provide to the Holder of a Residual Certificate (i) information necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the Residual Class that may be required under the Code. See “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the REMIC Prospectus.

Taxation of Beneficial Owners of RCR Certificates

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 Regular Certificates that are exchanged for RCR Certificates set forth in Schedule 1 (including any exchanges effective on the Settlement Date) will be the assets of the trust, and the RCR Certificates will represent an ownership interest of the underlying Regular Certificates. For a general discussion of the federal income tax treatment of beneficial owners of Regular Certificates, see “Material Federal Income Tax Consequences” in the REMIC Prospectus.

Generally, the ownership interest represented by an RCR certificate will be one of two types. A certificate of a Combination RCR Class (a “Combination RCR Certificate”) will represent beneficial ownership of undivided interests in one or more underlying Regular Certificates. 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 one or more underlying Regular Certificates. All of the RCR Certificates are Combination RCR Certificates. See “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of RCR Certificates” in the REMIC Prospectus for a general discussion of the federal income tax treatment of beneficial owners of RCR Certificates.

PLAN OF DISTRIBUTION

We are obligated to deliver the Certificates to Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “Dealer”) in exchange for the Trust MBS and the Group 4 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.

LEGAL MATTERS

Katten Muchin Rosenman LLP will provide legal representation for Fannie Mae. Orrick, Herrington & Sutcliffe LLP will provide legal representation for the Dealer.

Exhibit A

Group 4 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 2014 Class Factor</u>	<u>Principal Balance in the Lower Tier REMIC</u>	<u>Approximate Weighted Average WAC</u>	<u>Approximate Weighted Average WAM (in months)</u>	<u>Approximate Weighted Average WALA (in months)</u>
2012-98	JP	August 2012	3136A8BA7	3.5%	FIX	March 2042	PAC	\$52,272,710	0.89284503	\$20,731,861.00	4.031%	326	23

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

Note: For any pool of Mortgage Loans backing an underlying REMIC or RCR certificate, if a preliminary calculation indicated that the sum of the WAM and WALA for that pool exceeded the longest original term to maturity of any Mortgage Loan in the pool, the WALA used in determining the information shown in the related table was reduced as necessary to insure that the sum of the WAM and WALA does not exceed such original term to maturity.

Schedule 1

Available Recombinations(1)

REMIC Certificates		RCR Certificates						
Classes	Original Balances	RCR Classes	Original Balances	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date
Recombination 1								
VL	\$10,844,000	LY(3)	\$30,285,000	SEQ	4.5%	FIX	3136AKBP7	June 2044
VM	5,368,000							
ZL	14,073,000							
Recombination 2								
LG	90,000,000	LJ	90,000,000	SEQ	3.5	FIX	3136AKBQ5	December 2040
LI	10,000,000(4)							
Recombination 3								
LG	90,000,000	LM	90,000,000	SEQ	4.0	FIX	3136AKBR3	December 2040
LI	20,000,000(4)							
Recombination 4								
LG	90,000,000	LA	90,000,000	SEQ	4.5	FIX	3136AKBS1	December 2040
LI	30,000,000(4)							
Recombination 5								
DH	25,559,000	DK	25,559,000	SEQ/AD	3.0	FIX	3136AKBT9	August 2043
DI	3,651,286(4)							
Recombination 6								
DH	25,559,000	DA	25,559,000	SEQ/AD	3.5	FIX	3136AKBU6	August 2043
DI	7,302,571(4)							

(1) REMIC Certificates and RCR Certificates in each Recombination may be exchanged only in the proportions of *original* principal or notional principal balances for the related Classes shown in this Schedule 1 (disregarding any retired Classes). For example, if a particular Recombination includes two REMIC Classes and one RCR Class whose *original* principal balances shown in the schedule reflect a 1:1:2 relationship, the same 1:1:2 relationship among the *original* principal balances of those REMIC and RCR Classes must be maintained in any exchange. This is true even if, as a result of the applicable payment priority sequence, the relationship between their *current* principal balances has changed over time. Moreover, if as a result of a proposed exchange, a Certificateholder would hold a REMIC Certificate or RCR Certificate of a Class in an amount less than the applicable minimum denomination for that Class, the Certificateholder will be unable to effect the proposed exchange. See “Description of the Certificates—General— *Authorized Denominations*” in this prospectus supplement.

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

(3) Principal payments on the REMIC Certificates in Recombination 1 from the ZL Accrual Amount will be paid as interest on the related RCR Certificates, and thus will not reduce the principal balances of those RCR Certificates.

(4) Notional principal balances. These Classes are Interest Only Classes. See page S-5 for a description of how their notional principal balances are calculated.

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

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Certificates or determined if this Prospectus Supplement is truthful and complete. Any representation to the contrary is a criminal offense.

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\$284,886,786



**Guaranteed REMIC
Pass-Through Certificates**

Fannie Mae REMIC Trust 2014-32

PROSPECTUS SUPPLEMENT

BofA Merrill Lynch

May 23, 2014