



Connecticut Avenue Securities, Series 2016-C07
CONFIDENTIAL PRELIMINARY TERM SHEET



Fannie Mae
Issuer

Connecticut Avenue Securities, Series 2016-C07

\$701,681,000 (approximate)

Confidential Term Sheet

November 27, 2016

Wells Fargo Bank, N.A.
Global Agent and Exchange Administrator



Structuring Lead and Joint Bookrunner



Co-Lead Manager and Joint Bookrunner



THE SECURITIES ARE BEING ISSUED BY FANNIE MAE AND ARE OBLIGATIONS OF FANNIE MAE ONLY. THE SECURITIES ARE NOT GUARANTEED BY, AND ARE NOT DEBTS OR OBLIGATIONS OF, THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES OTHER THAN FANNIE MAE. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE LAWS OF ANY OTHER STATE OR JURISDICTION.

This document has been prepared by Barclays Capital Inc. ("Barclays") for information purposes only. This document is an indicative summary of the terms and conditions of the securities described herein and may be amended, superseded or replaced by subsequent summaries, and will be superseded by the applicable offering document(s), which will set out the final terms and conditions of the securities.

This document shall not constitute an underwriting commitment, an offer of financing, an offer to sell or the solicitation of an offer to buy any securities described herein, which shall be subject to the internal approvals of Barclays, Citigroup Global Markets Inc. ("Citigroup"), J.P. Morgan Securities LLC ("J.P. Morgan"), Merrill Lynch, Pierce, Fenner & Smith Incorporated ("BofA Merrill") and Wells Fargo Securities, LLC ("Wells Fargo Securities" and, together with Barclays, Citigroup, J.P. Morgan and BofA Merrill, the "Dealers"). No transaction or services related thereto is contemplated without the Dealers' subsequent formal agreement. The Dealers are not acting as fiduciaries, advisors or agents. Prior to entering into any transaction, you should determine, without reliance upon the Dealers or their affiliates, the economic risks and merits, as well as the legal, tax and accounting characterizations and consequences of the transaction, and independently determine that you are able to assume these risks. The Dealers accept no liability whatsoever for any consequential losses arising from the use of this document or reliance on the information contained herein.

Neither the Dealers nor Fannie Mae guarantees the accuracy or completeness of information which is contained in this document and which is stated to have been obtained from or is based upon trade and statistical services or other third party sources. Any data on past performance, modeling or back-testing contained herein is no indication of future performance. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any modeling or back-testing or any other information contained herein. All opinions and estimates are given as of the date hereof and are subject to change and neither the Dealers nor Fannie Mae assumes any obligation to update this document to reflect any such changes. The value of any investment may fluctuate as a result of market changes. The information herein is not intended to predict actual results and no assurances are given with respect thereto. Nothing herein shall be deemed to constitute investment, legal, tax, financial, accounting or other advice.

The Dealers, their affiliates and the individuals associated therewith may (in various capacities) have positions or deal in transactions or securities (or related derivatives) identical or similar to those described herein.

Notwithstanding anything herein to the contrary, each recipient hereof (and their employees, representatives, and other agents) may disclose to any and all persons, without limitation of any



kind from the commencement of discussions, the U.S. federal and state income tax treatment and tax structure of the proposed transaction described herein and all materials of any kind (including opinions or other tax analyses) that are provided relating to such tax treatment and tax structure. For this purpose, "tax structure" is limited to facts relevant to the U.S. federal and state income tax treatment of the proposed transaction described herein and does not include information relating to the identity of the parties, their affiliates, agents or advisors.

THIS DOCUMENT DOES NOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ISSUES RELATED TO AN INVESTMENT IN THE SECURITIES. PRIOR TO INVESTING IN THE SECURITIES, POTENTIAL INVESTORS SHOULD READ THE FINAL PROSPECTUS ISSUED BY FANNIE MAE RELATING TO THE SECURITIES AND ENSURE THAT THEY FULLY UNDERSTAND THE TERMS OF THE SECURITIES AND ANY APPLICABLE RISKS.

This document is confidential, and no part of it may be reproduced, distributed or transmitted without the prior written permission of the Dealers.



Connecticut Avenue Securities, Series 2016-C07
CONFIDENTIAL PRELIMINARY TERM SHEET

CLASS 2M-1, CLASS 2M-2 and CLASS 2B NOTES*
\$701,681,000 (Approximate)**

Class	Approximate Initial Class Principal Balance or Class Notional Amount (\$) ⁽¹⁾		Expected Initial Credit Support (%)	Interest Rate ⁽²⁾	Expected Ratings (Fitch/KBRA)	Expected WAL (yrs) ⁽¹⁾	Principal Payment Window (mos) ⁽¹⁾	Interest Accrual Basis	Maturity Date ⁽³⁾	Class Type
	Amount Issued	Reference Tranches								
2A-H ⁽⁴⁾	Reference Tranche Only	\$21,614,589,756	4.00% ⁽⁶⁾							Senior
2M-1 ⁽⁵⁾	\$192,504,000		3.10%	1mL + ___%	BBB-sf/BBB(sf)	1.48	1-31	Actual/360	May 2029	Mezzanine
2M-1H ⁽⁴⁾	Reference Tranche Only	\$10,132,779	3.10%							Mezzanine
2M-2A ⁽⁵⁾⁽⁷⁾	\$139,031,000		2.45%	1mL + ___%	BB+sf/BBB-(sf)	3.45	31-53	Actual/360	May 2029	Mezzanine
2M-AH ⁽⁴⁾	Reference Tranche Only	\$7,317,785	2.45%							Mezzanine
2M-2B ⁽⁵⁾⁽⁷⁾	\$310,146,000		1.00%	1mL + ___%	Bsf/B+(sf)	7.24	53 – 120	Actual/360	May 2029	Mezzanine
2M-BH ⁽⁴⁾	Reference Tranche Only	\$16,324,366	1.00%							Mezzanine
2M-2 ⁽⁷⁾	\$449,177,000		1.00%	1mL + ___%	Bsf/B+(sf)	6.07	31 – 120	Actual/360	May 2029	RCR/Mezzanine
2M-2I ⁽⁷⁾	\$139,031,000 ⁽⁸⁾		N/A	3.20%	BB+sf/BBB-(sf)	N/A	N/A	Actual/360	May 2029	RCR/Mezzanine
2M-2R ⁽⁷⁾	\$139,031,000		2.45%	1mL + ___%	BB+sf/BBB-(sf)	3.45	31 – 53	Actual/360	May 2029	RCR/Mezzanine
2M-2S ⁽⁷⁾	\$139,031,000		2.45%	1mL + ___%	BB+sf/BBB-(sf)	3.45	31 – 53	Actual/360	May 2029	RCR/Mezzanine
2M-2T ⁽⁷⁾	\$139,031,000		2.45%	1mL + ___%	BB+sf/BBB-(sf)	3.45	31 – 53	Actual/360	May 2029	RCR/Mezzanine
2M-2U ⁽⁷⁾	\$139,031,000		2.45%	1mL + ___%	BB+sf/BBB-(sf)	3.45	31 – 53	Actual/360	May 2029	RCR/Mezzanine
2B ⁽⁵⁾	\$60,000,000		0.00%	1mL + ___%	N/A	9.96	120 – 120	Actual/360	May 2029	Subordinate
2B-H ⁽⁴⁾	Reference Tranche Only	\$165,151,976	0.00%							Subordinate
Total:	\$701,681,000**	\$21,813,516,662								

* Offered on the Closing Date (the "Offered Notes").

** Including only Offered Notes.



Connecticut Avenue Securities, Series 2016-C07
CONFIDENTIAL PRELIMINARY TERM SHEET

Information is preliminary and subject to final collateral and legal review. The analyses, calculations and valuations herein are based on certain assumptions and data provided by third parties that may vary from the actual characteristics of the final collateral. Investors should rely on the information contained in the final prospectus.

- (1) The principal amounts and notional amounts presented in this term sheet are approximate and subject to a +/- 5% variance. Weighted average lives and principal payment windows (if applicable) with respect to the Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes, Class 2M-2 Notes, Class 2M-2I Notes, Class 2M-2R Notes, Class 2M-2S Notes, Class 2M-2T Notes, Class 2M-2U Notes and Class 2B Notes (together, the "Notes") assume that no Credit Events or Modification Events occur, prepayments occur at the pricing speed of 10% CPR (calculated from the Closing Date), the Notes pay on the 25th day of each month beginning in December 2016 and the Early Redemption Option is exercised on the Payment Date in November 2026.
- (2) Each Class of Offered Notes will be sold at a price of par.
- (3) The Class Principal Balance of any outstanding Notes will be paid in full on the earlier to occur of the Early Redemption Date, if any, and the Maturity Date.
- (4) The Class 2A-H Reference Tranche, Class 2M-1H Reference Tranche, Class 2M-AH Reference Tranche, Class 2M-BH Reference Tranche and Class 2B-H Reference Tranche will not have corresponding Notes and will be referenced only in connection with making calculations of payments required to be made by Fannie Mae and reductions and increases in the principal amounts of the Notes.
- (5) The Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes and Class 2B Notes will have corresponding Reference Tranches for the purpose of making calculations of payments required to be made by Fannie Mae and reductions and increases in the principal amounts of the Notes.
- (6) The Class 2A-H Reference Tranche will have an initial subordination percentage of 4.00%, with a required subordination percentage of 4.25%.
- (7) The Holders of the Class 2M-2 Notes can exchange all or part of that Class for proportionate interests in the Class 2M-2A and Class 2M-2B Notes (together, the "Exchangeable Notes"), and vice versa. Additionally, the Holders of the Class 2M-2A Notes can exchange all or part of that Class for proportionate interests in the Classes of Related Combinable and Recombinable Notes (the "RCR Notes") in the applicable combinations set forth on Schedule I hereto, and vice versa. Of the Exchangeable Notes and the RCR Notes, only the Class 2M-2 Notes are Offered Notes.
- (8) Notional Amount. This Class of RCR Notes is not entitled to principal payments. The Class 2M-2I Notes have a "Class Notional Amount" as of any Payment Date equal to the outstanding Class Principal Balance of the Class 2M-2A Notes. Holders of Class 2M-2I Notes will receive shares of the interest amounts payable on the Class 2M-2A Notes, calculated as set forth on Schedule I hereto.



Transaction Overview

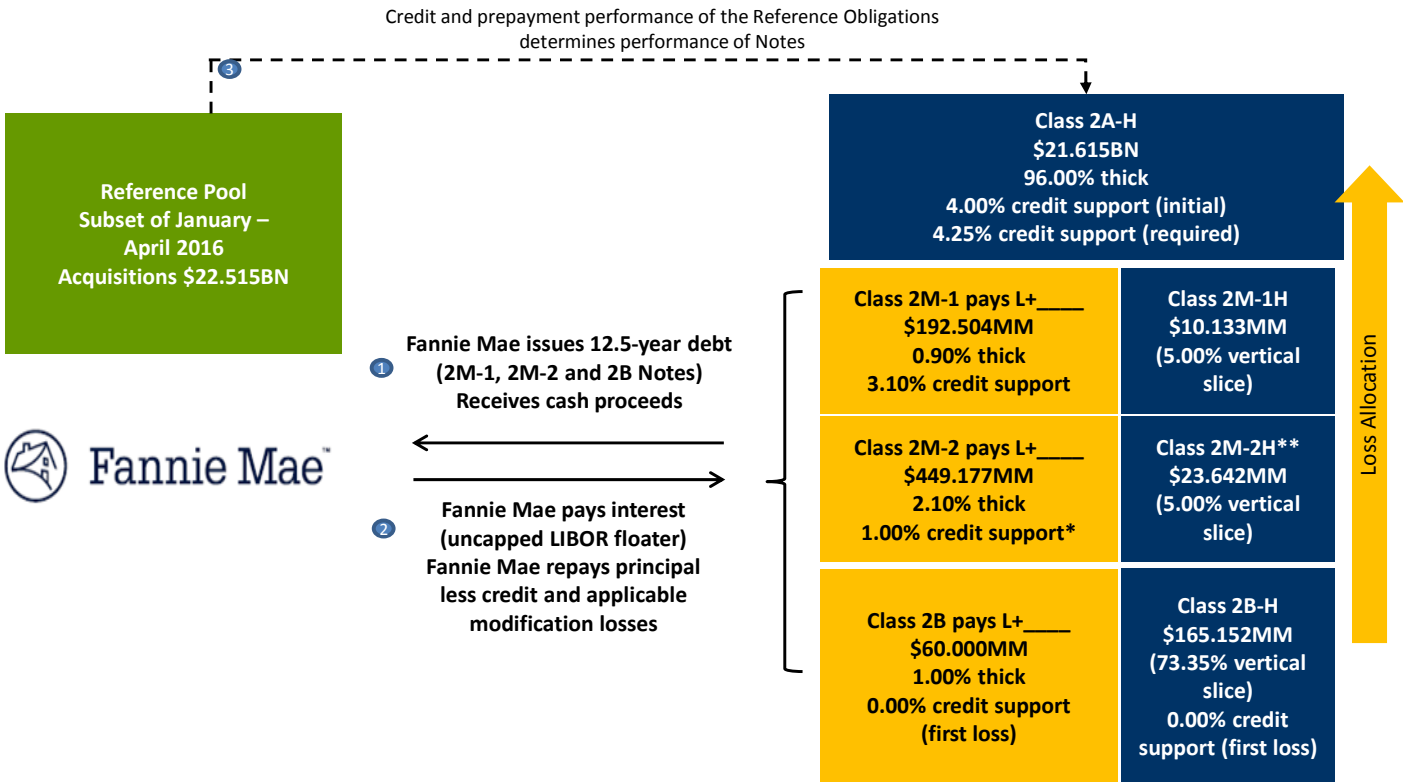
The Notes will be unsecured general obligations of Fannie Mae, or the "Issuer", and will be subject to the credit and principal payment risk of the related portion of a certain pool (the "Reference Pool") of residential mortgage loans (the "Reference Obligations") held in various Fannie Mae-guaranteed MBS. The transaction is designed to furnish credit protection to Fannie Mae with respect to Reference Obligations that experience losses relating to Credit Events and Modification Events. The actual cash flows from the Reference Obligations will never be paid to the holders of the Notes (the "Noteholders" or "Holders," and each, a "Noteholder" or a "Holder"). Fannie Mae will make monthly payments of accrued interest and periodic payments of principal to the Noteholders. The Notes will be issued at par and, except for the Class 2M-2I Notes, will be 12.5-year, uncapped LIBOR-based floaters.

On the Termination Date, the Class Principal Balances of all outstanding Notes will be paid in full. If there are unrecovered losses on any Notes as of the Termination Date, holders of those Notes will be entitled to certain projected recovery payments on that date.

The "Offered Notes" consist of the Class 2M-1, Class 2M-2 and Class 2B Notes. The transaction is structured to provide credit protection to Fannie Mae with respect to Reference Obligations as to which certain credit and modification events occur. This credit protection is achieved in part by allowing Fannie Mae to reduce the outstanding class principal balances of the Notes related to the designated Credit Events and Modification Events on the Reference Obligations. The occurrence of certain Credit Events or Modification Events on the Reference Obligations could result in write-downs of the class principal balances of the Notes to the extent losses are realized on such Reference Obligations as a result of these events. In addition, the interest entitlement of the Notes may be subject to reduction based on the occurrence of Modification Events on these Reference Obligations to the extent losses are realized with respect thereto.

Although the Notes will be unsecured general obligations of Fannie Mae, and Fannie Mae alone will make all of the principal and interest payments on the Notes, the transaction has been structured so that the capital structure and cash flow allocations relative to principal payments of the Notes are reflective of private label senior/subordinate residential mortgage backed securities. Accordingly, subordinate interests will not receive allocations in respect of unscheduled principal unless target credit enhancement and delinquency percentages have been maintained. However, unlike securities in some senior/subordinate private label residential mortgage-backed securitizations, the principal payments required to be paid by Fannie Mae on the Notes will be based in part on the principal that is actually collected on the Reference Obligations, rather than on the entire amount of scheduled payments due on those Reference Obligations as further described herein.

Capitalized terms used in this term sheet are defined when first used or in the "*GLOSSARY OF CERTAIN DEFINED TERMS*."



Note: Tranches labeled "H" are not issued or sold; risk retained by Fannie Mae

* Credit support for the Class 2M-2A Notes will be 2.45% and for the Class 2M-2B Notes will be 1.00%.
 **Shown for illustrative purposes only. Represents the sum of the Class Notional Amounts of the Class 2M-BH and Class 2M-AH Reference Tranches. Losses are allocated to such Reference Tranches in that order.



GENERAL INFORMATION

Issuer	Fannie Mae
Title of Series	Connecticut Avenue Securities ("CAS"), Series 2016-C07
Offered Notes	Class 2M-1, Class 2M-2 and Class 2B Notes.
Global Agent	Wells Fargo Bank, N.A., as the Global Agent of Fannie Mae, will perform certain reporting and administrative functions with respect to the Notes, including calculating payments on the Notes. Fees and expenses of the Global Agent will be paid by the Issuer.
Exchange Administrator	Wells Fargo Bank, N.A. will act as the Exchange Administrator for the RCR Notes and the Exchangeable Notes. The Exchange Administrator will, among other duties, administer all exchanges of RCR Notes for Exchangeable Notes and vice versa, which will include receiving notices of requests for such exchanges from Noteholders, accepting the Notes to be exchanged, and giving notice to the Global Agent of all such exchanges.
Master Servicer	Fannie Mae
Lead Managers and Joint Bookrunners	Barclays Capital Inc. ("Barclays") (Structuring Lead) and Citigroup Global Markets Inc. ("Citigroup") (Co-Lead Manager)
Co-Managers	J.P. Morgan Securities LLC ("J.P. Morgan"), Merrill Lynch, Pierce, Fenner & Smith Incorporated ("BofA Merrill") and Wells Fargo Securities, LLC ("Wells Fargo Securities")
Selling Group Members	Drexel Hamilton, LLC and Mischler Financial Group, Inc.
Cut-off Date	For this term sheet and for the prospectus, September 30, 2016
Closing Date	On or about December 8, 2016
Payment Date	The 25 th day of each calendar month (or, if not a business day, the following business day), commencing in December 2016.
Accrual Period	With respect to each Payment Date, the period beginning on and including the prior Payment Date (or, in the case of the first Payment Date, the Closing Date) and ending on and including the day preceding such Payment Date. Interest will be calculated based on the actual number of days in an Accrual



Period and a 360-day year.

Note Rate

The Note Rate on each Class of Notes for any Accrual Period will be equal to the floating or fixed per annum rate specified for such class as set forth in the final prospectus.

Legal Status

The Notes will be unsecured general obligations having the same priority as all of Fannie Mae's other unsecured debt. The RCR Notes represent interests in the Class 2M-2A Notes and/or Class 2M-2B Notes. **The United States does not guarantee the Notes or any interest or return of discount on the Notes. The Notes are not debts or obligations of the United States or any agency or instrumentality of the United States other than Fannie Mae.**

Notes

The Class 2M-1 Notes, Class 2M-2 Notes (together with the Class 2M-2A, Class 2M-2I, Class 2M-2R, Class 2M-2S, Class 2M-2T, Class 2M-2U and Class 2M-2B Notes described in the following paragraph) and Class 2B Notes. The Notes will receive principal payments, if entitled to receive principal, and will be allocated reductions and increases in Class Principal Balance or Class Notional Amount, as applicable, in accordance with such allocations to the related Reference Tranches.

The Class 2M-2A and Class 2M-2B Notes are the "Exchangeable Notes." The Class 2M-2, Class 2M-2I, Class 2M-2R, Class 2M-2S, Class 2M-2T and Class 2M-2U Notes are the Related Combinable and Recombinable Notes, or "RCR Notes," to which the Exchangeable Notes relate.

RCR Notes

Class 2M-2, Class 2M-2I, Class 2M-2R, Class 2M-2S, Class 2M-2T and Class 2M-2U Notes. At any time, Holders of Class 2M-2 Notes may exchange all or part of those Notes for proportionate interests in the related Exchangeable Notes, and vice versa. Additionally, Holders of Class 2M-2A Notes may further exchange all or part of those Exchangeable Notes for proportionate interests in the related RCR Notes, and vice versa. Exchanges may occur repeatedly. Schedule I attached hereto sets forth the available combinations (the "Combinations") and characteristics of the RCR Notes. RCR Notes that are held by Holders will receive interest payments that are allocable to the related Exchangeable Notes, calculated at the applicable class coupon rate, and all principal amounts that are payable by Fannie Mae on the related Exchangeable Notes will be allocated to and payable to the related RCR Notes entitled to principal. In addition, all Tranche Write-down Amounts that are allocable to Exchangeable Notes will be allocated to reduce the Class



Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes. Further, all Tranche Write-up Amounts that are allocable to Exchangeable Notes will be allocated to increase the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes.

Reference Tranches

The Class 2A-H Reference Tranche, Class 2M-1 Reference Tranche, Class 2M-1H Reference Tranche, Class 2M-2A Reference Tranche, Class 2M-AH Reference Tranche, Class 2M-2B Reference Tranche, Class 2M-BH Reference Tranche, Class 2B Reference Tranche and Class 2B-H Reference Tranche (collectively, the "Reference Tranches"), which are described solely for the purpose of calculating principal payments required to be made on the Notes by Fannie Mae, any reductions or increases of principal on the Notes as a result of Credit Events on the Reference Obligations and any reductions in the interest or principal entitlements of the Notes as a result of Modification Events on the Reference Obligations. Only the Class 2M-1 Reference Tranche, Class 2M-2A Reference Tranche, Class 2M-2B Reference Tranche and Class 2B Reference Tranche will have corresponding Classes of Notes on the Closing Date.

Senior Reference Tranche

The Class 2A-H Reference Tranche (the "Senior Reference Tranche").

Mezzanine Reference Tranches

The Class 2M-1 Reference Tranche, Class 2M-1H Reference Tranche, Class 2M-2A Reference Tranche, Class 2M-AH Reference Tranche, Class 2M-2B Reference Tranche and Class 2M-BH Reference Tranche (collectively, the "Mezzanine Reference Tranches").

Subordinate Reference Tranches

The Mezzanine Reference Tranches, the Class 2B Reference Tranche and the Class 2B-H Reference Tranche (collectively, the "Subordinate Reference Tranches").

Class Notional Amount of Reference Tranches

As of any Payment Date and with respect to each Reference Tranche, a notional amount equal to the initial Class Notional Amount of such Reference Tranche, minus the aggregate amount of Senior Reduction Amounts or Subordinate Reduction Amounts allocated to such Reference Tranche on such Payment Date and all prior Payment Dates, minus the aggregate amount of Tranche Write-down Amounts allocated to reduce the Class Notional Amount of such Reference Tranche on such Payment Date and on all prior Payment Dates, and plus the aggregate amount of Tranche Write-up Amounts allocated to increase the



Class Notional Amount of such Reference Tranche on such Payment Date and on all prior Payment Dates. For the avoidance of doubt, no Tranche Write-up Amount or Tranche Write-down Amount will be applied twice on the same Payment Date.

Settlement

The Notes will settle with no accrued interest.

Form of Offering

Exempt from registration with the SEC under the Securities Act. The Notes are being offered only to "Qualified Institutional Buyers" (as defined in Rule 144A under the Securities Act).

Ratings/Rating Agencies

The Issuer has engaged Fitch Ratings Inc. and Kroll Bond Rating Agency, Inc. to rate the Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes, Class 2M-2 Notes, Class 2M-2I Notes, Class 2M-2R Notes, Class 2M-2S Notes, Class 2M-2T Notes and Class 2M-2U Notes on the Closing Date. No rating agency has been engaged to rate the Class 2B Notes on the Closing Date.

Reporting Period

The second calendar month preceding the month of each Payment Date. The delinquency status of each Reference Obligation will be determined as of the close of business on the last day of the related Reporting Period.

Maturity Date

On the Payment Date in May 2029, the Issuer will be obligated to retire the Notes by paying an amount equal to their full remaining Class Principal Balances, plus accrued and unpaid interest. However, the Notes may be paid in full prior to the Maturity Date on (a) the Payment Date on which the Early Redemption Option, if any, is exercised with respect to such Notes or (b) the Payment Date on which the aggregate Class Principal Balance of all outstanding Notes is otherwise reduced to zero. If on the Maturity Date a Class of RCR Notes is outstanding, all amounts payable on the Exchangeable Notes that were exchanged for such RCR Notes will be allocated to and payable on the applicable RCR Notes entitled to receive those amounts.

Early Redemption Option

The Issuer may redeem the Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes and Class 2B Notes on any Payment Date on or after the earlier to occur of (i) the Payment Date on which the aggregate unpaid principal balance of the Reference Obligations is less than or equal to 10% of the Cut-off Date Balance or (ii) the Payment Date occurring in November 2026, by paying an amount equal to the outstanding Class Principal



Balance of the Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes and Class 2B Notes, plus accrued and unpaid interest and related unpaid fees and expenses of the Global Agent. If on the Early Redemption Date a Class of RCR Notes is outstanding, all principal amounts that are payable by Fannie Mae on the Exchangeable Notes that were exchanged for such RCR Notes will be allocated to and payable on the applicable RCR Notes entitled to receive principal.

Early Redemption Date

The Payment Date, if any, on which the Notes are redeemed by the Issuer pursuant to the Early Redemption Option.

Termination Date

The Notes will no longer be outstanding upon the date which is the earliest of:

- (1) the Maturity Date;
- (2) the Early Redemption Date; and
- (3) the Payment Date on which the aggregate initial Class Principal Balance (without giving effect to any allocations of Tranche Write-down Amounts or Tranche Write-up Amounts related to the Notes on such Payment Date and all prior Payment Dates) and accrued and unpaid interest due on the Class 2M-1, Class 2M-2A, Class 2M-2B and Class 2B Notes plus related unpaid fees and expenses of the Global Agent have otherwise been paid in full.

Expected Credit Enhancement

Notes/Tranches	Tranche Size	Initial Credit Enhancement
Class 2A-H	96.00%	4.00% ⁽¹⁾
Class 2M-1 and Class 2M-1H	0.90%	3.10%
Class 2M-2 ⁽²⁾ and Class 2M-2H ⁽³⁾	2.10%	1.00%
Class 2B and Class 2B-H	1.00%	0.00%

⁽¹⁾ Required credit enhancement for the Class 2A-H Reference Tranche will be 4.25%.

⁽²⁾ Initial credit enhancement for the Class 2M-2A Notes will be 2.45% and for the Class 2M-2B Notes will be 1.00%.

⁽³⁾ Shown for illustrative purposes only. Represents the sum of the Class 2M-AH and Class 2M-BH Reference Tranches.



The Subordinate Reference Tranches are subordinate to, and provide credit enhancement for, the Senior Reference Tranche and for each Class of more senior Subordinate Reference Tranches.

Fannie Mae Retention of Minimum 5% of Underlying Credit Risk

Fannie Mae will retain at least 5% of the underlying credit risk corresponding to a vertical slice of each of the Reference Tranches. Moreover, Fannie Mae will retain at least 50% of the underlying credit risk corresponding to the Class 2B Reference Tranche and the Class 2B-H Reference Tranche.

Notes Acquired by Fannie Mae

Fannie Mae may from time to time acquire any of the Notes at any price in the open market or otherwise.

STRUCTURAL FEATURES

Scheduled Principal

With respect to each Payment Date, the sum of all monthly scheduled payments of principal on the Reference Obligations that were collected by the related servicer during the related Reporting Period as reported to Fannie Mae. Once a Reference Obligation is removed from the related MBS, all subsequent principal collections will be treated as **Unscheduled Principal**.

Unscheduled Principal

With respect to each Payment Date:

- (a) all partial principal prepayments on the Reference Obligations collected during the related Reporting Period, *plus*
- (b) the aggregate unpaid principal balance of all Reference Obligations that became subject to Reference Pool Removals during the related Reporting Period (excluding (i) Credit Event Reference Obligations and (ii) the portions of any prepayments in full that consist of scheduled principal collections), *plus*
- (c) decreases in the unpaid principal balance of all Reference Obligations as the result of loan modification or data corrections, *plus*
- (d) all scheduled principal collections, if any, for any Reference Obligations that have been removed from the related MBS, *minus*
- (e) increases in the unpaid principal balances of all Reference Obligations as the result of loan modifications, reinstatements due to error, or data corrections.



In the event that (e) above exceeds the sum of (a) through (d), the Unscheduled Principal for such Payment Date will be zero, and the Class 2A-H Notional Amount will be increased by the amount of such excess. In April 2016, at the direction of its regulator and conservator FHFA, Fannie Mae announced a program that permits principal forgiveness as a loss mitigation alternative for a limited number of loans that were 90 days or more delinquent and underwater as of March 2016. No Reference Obligations are eligible for inclusion in this program. While there is no indication that this program will be extended or replicated, if any similar program of principal reduction were to be employed in the future that affected the Reference Obligations, any principal that was forgiven with respect to a Reference Obligation would decrease the unpaid principal balance of such Reference Obligation pursuant to clause (c) above.

Recovery Principal

With respect to each Payment Date, the sum of:

- (a) the excess, if any of the related Credit Event Amount for such Payment Date over the related Tranche Write-down Amount for such Payment Date; *plus*
- (b) the related Tranche Write-up Amount for such Payment Date.

Senior Reduction Amount

With respect to each Payment Date, if either of the Minimum Credit Enhancement Test or the Delinquency Test is not satisfied, the sum of:

- (a) the Senior Percentage of the Scheduled Principal for such Payment Date;
- (b) 100% of the Unscheduled Principal for such Payment Date; and
- (c) 100% of the Recovery Principal for such Payment Date.

As noted above, the Minimum Credit Enhancement Test will not be satisfied at issuance and may not be satisfied for an indefinite period thereafter.

With respect to each Payment Date, if the Minimum Credit Enhancement Test and the Delinquency Test are satisfied, the sum of:

- (a) the Senior Percentage of the Scheduled Principal for such Payment Date;
- (b) the Senior Percentage of the Unscheduled Principal for such Payment Date; and



(c) 100% of the Recovery Principal for such Payment Date.

The "Senior Percentage" for a Payment Date is the percentage equivalent to a fraction, the numerator of which is the Class Notional Amount of the Senior Reference Tranche immediately prior to such Payment Date and the denominator of which is the aggregate unpaid principal balance of the Reference Obligations at the end of the previous Reporting Period.

Subordinate Reduction Amount

With respect to each Payment Date, the sum of the Scheduled Principal, Unscheduled Principal and Recovery Principal for such Payment Date, less the Senior Reduction Amount.

Allocation of Senior Reduction Amount

On each Payment Date prior to the Termination Date, the Senior Reduction Amount will be allocated to the Senior Reference Tranche until its Class Notional Amount is reduced to zero, and then to the Subordinate Reference Tranches, in order of seniority, per Allocation of Subordinate Reduction Amount.

Because the Class 2M-1, Class 2M-2A, Class 2M-2B and Class 2B Notes correspond to the Class 2M-1, Class 2M-2A, Class 2M-2B and Class 2B Reference Tranches, respectively, any portion of the Senior Reduction Amount that is allocated to the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Reference Tranche will result in a corresponding reduction in the Class Principal Balance of the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Notes, as applicable. Such reductions in the Class Principal Balance of the Class 2M-2A or Class 2M-2B Notes will result in a corresponding reduction in the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes.

Allocation of Subordinate Reduction Amount

On each Payment Date prior to the Termination Date, the Subordinate Reduction Amount will be allocated to the Subordinate Reference Tranches:

- (i) *first*, concurrently, on a pro rata basis based on their Class Notional Amounts, to the Class 2M-1 and Class 2M-1H Reference Tranches until their Class Notional Amounts have been reduced to zero;
- (ii) *second*, concurrently, on a pro rata basis based on their Class Notional Amounts, to the Class 2M-2A and Class 2M-AH Reference Tranches until their Class Notional Amounts have been reduced to zero;
- (iii) *third*, concurrently, on a pro rata basis based on their Class Notional Amounts, to the Class 2M-2B and Class 2M-BH Reference Tranches until their Class Notional Amounts have been reduced to zero; and



- (iv) *fourth*, concurrently, on a pro rata basis based on their Class Notional Amounts, to the Class 2B and Class 2B-H Reference Tranches until their Class Notional Amounts have been reduced to zero.

Any Subordinate Reduction Amount remaining after the allocation in the immediately preceding sentence will be allocated to reduce the Class Notional Amount of the Class 2A-H Reference Tranche.

Because the Class 2M-1, Class 2M-2A, Class 2M-2B and Class 2B Notes correspond to the Class 2M-1, Class 2M-2A, Class 2M-2B and Class 2B Reference Tranches, respectively, any portion of the Subordinate Reduction Amount that is allocated to the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Reference Tranche will result in a corresponding reduction in the Class Principal Balance of the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Notes, as applicable.

If any RCR Notes are held by Holders, any Subordinate Reduction Amount that is allocable in the *second* or *third* priorities above on any Payment Date to the related Exchangeable Notes will be allocated to reduce the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes.

Loss Allocation Framework

General

Upon the occurrence of Modification Events affecting the Reference Obligations and to the extent that losses are realized with respect thereto, the interest entitlements of the Notes will be subject to reduction and the Class Principal Balances thereof will be subject to write-downs as further described under "*Allocation of Modification Loss Amounts*" below. Any such reductions or write-downs will be applied first to the most subordinate Class of Notes with an outstanding Class Principal Balance.

Upon the occurrence of Credit Events affecting the Reference Obligations and to the extent that losses are realized with respect thereto, the Class Principal Balances of the Notes will be subject to write-downs as further described under "*Allocation of Tranche Write-down Amounts*" below. Any such write-downs will be allocated first to the most subordinate Class of Notes with an outstanding Class Principal Balance.

Modifications

Reference Obligations that undergo a temporary or permanent modification will not be removed from the Reference Pool unless they otherwise meet the criteria for Reference Pool Removal.

In the event that a program of principal forgiveness were



implemented that impacted the Reference Obligations, any reduction in the principal balance of a Reference Obligation as the result of principal forgiveness would be treated as Unscheduled Principal. However, if the Reference Obligation subsequently became a Credit Event Reference Obligation, the related negative adjustment would be included in the Credit Event Net Loss for the Reference Obligation.

Modification Event

With respect to any Reference Obligation, a forbearance or certain mortgage rate modifications relating to such Reference Obligation. It is noted that in the absence of a forbearance or certain mortgage rate modifications, a term extension on a Reference Obligation will not constitute a Modification Event.

Modification Loss Amount

With respect to each Payment Date and any Reference Obligation that has experienced a Modification Event, the *excess*, if any, of:

- (i) one-twelfth of the Original Accrual Rate *multiplied by* the unpaid principal balance of such Reference Obligation, *over*
- (ii) one-twelfth of the Current Accrual Rate *multiplied by* the interest bearing unpaid principal balance of such Reference Obligation.

Allocation of Modification Loss Amounts

On each Payment Date on or prior to the Termination Date, the Preliminary Principal Loss Amount, Preliminary Tranche Write-down Amount, Preliminary Tranche Write-up Amount and Preliminary Class Notional Amount will be computed prior to the Allocation of the Modification Loss Amount.

On each Payment Date on or prior to the Termination Date, the Modification Loss Amount, if any, for such Payment Date will be allocated in the following order of priority:

first, to the Class 2B and Class 2B-H Reference Tranches, pro rata, based on their Class Notional Amounts immediately prior to such Payment Date, until the amount allocated to the Class 2B Reference Tranche is equal to the Class 2B Notes Interest Accrual Amount;

second, to the Class 2B and Class 2B-H Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such Payment Date, until the aggregate amount allocated to the Class 2B and Class 2B-H Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 2B and



Class 2B-H Reference Tranches for such Payment Date;

third, to the Class 2M-2B and Class 2M-BH Reference Tranches, pro rata, based on their Class Notional Amounts immediately prior to such Payment Date, until the amount allocated to the Class 2M-2B Reference Tranche is equal to the Class 2M-2B Notes Interest Accrual Amount;

fourth, to the Class 2M-2A and Class 2M-AH Reference Tranches, pro rata, based on their Class Notional Amounts immediately prior to such Payment Date, until the amount allocated to the Class 2M-2A Reference Tranche is equal to the Class 2M-2A Notes Interest Accrual Amount;

fifth, to the Class 2M-2B and Class 2M-BH Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such Payment Date, until the aggregate amount allocated to the Class 2M-2B and Class 2M-BH Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 2M-2B and Class 2M-BH Reference Tranches for such Payment Date;

sixth, to the Class 2M-2A and Class 2M-AH Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such Payment Date, until the aggregate amount allocated to the Class 2M-2A and Class 2M-AH Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 2M-2A and Class 2M-AH Reference Tranches for such Payment Date;

seventh, to the Class 2M-1 and Class 2M-1H Reference Tranches, pro rata, based on their Class Notional Amounts immediately prior to such Payment Date, until the amount allocated to the Class 2M-1 Reference Tranche is equal to the Class 2M-1 Notes Interest Accrual Amount; and

eighth, to the Class 2M-1 and Class 2M-1H Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such Payment Date, until the aggregate amount allocated to the Class 2M-1 and Class 2M-1H Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 2M-1 and Class 2M-1H Reference Tranches for such Payment Date.

Any amounts allocated to the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Reference Tranches in the *seventh*, *fourth*, *third* or *first* priority above will result in a corresponding reduction



of the Interest Payment Amount of the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Notes, as applicable (without regard to any exchanges of Exchangeable Notes for RCR Notes for such Payment Date).

Any amounts allocated to the Class 2B, Class 2M-2B, Class 2M-2A or Class 2M-1 Reference Tranches in the *second, fifth, sixth or eighth* priority above will be included in the calculation of the Principal Loss Amount.

If any RCR Notes are held by Holders, any Modification Loss Amount that is allocable in the *third or fourth* priorities above on any Payment Date to the related Exchangeable Notes will be allocated to reduce the Interest Payment Amount of the applicable RCR Notes in accordance with the exchange proportions applicable to the related Combination.

Principal Loss Amount

With respect to any Payment Date, the sum of:

(a) the aggregate amount of Credit Event Net Losses for all Credit Event Reference Obligations for the related Reporting Period;

(b) the aggregate amount of court-approved principal reductions ("cramdowns") on the Reference Obligations in the related Reporting Period;

(c) subsequent losses on any Reference Obligation that became a Credit Event Reference Obligation on a prior Payment Date and with respect to which Net Liquidation Proceeds have already been determined; and

(d) amounts included in the *second, fifth, sixth and eighth* priorities under "*Allocation of Modification Loss Amount*" above.

Principal Recovery Amount

With respect to any Payment Date, the sum of:

(a) the aggregate amount of Credit Event Net Losses for all Reversed Credit Event Reference Obligations for the related Reporting Period;

(b) subsequent recoveries on any Reference Obligation that became a Credit Event Reference Obligation on a prior Payment Date and with respect to which Net Liquidation Proceeds have already been determined;

(c) the aggregate amount of the Credit Event Net Gains of



all Credit Event Reference Obligations for the related Reporting Period;

(d) the Rep and Warranty Settlement Amount; and

(e) the Projected Recovery Amount on the Termination Date.

Credit Event

With respect to any Payment Date on or before the Termination Date and any Reference Obligation, the first to occur of any of the following events during the related Reporting Period, as reported by the servicer to Fannie Mae, if applicable: (i) a short sale is settled, (ii) the related mortgaged property is sold to a third party during the foreclosure process, (iii) an REO disposition occurs, (iv) a mortgage note sale is executed on a loan that is 12 or more months delinquent when offered for sale or (v) the related mortgage note is charged off. With respect to any Credit Event Reference Obligation, there can only be one occurrence of a Credit Event; *provided*, that one additional separate Credit Event can occur with respect to each instance of such Credit Event Reference Obligation becoming a Reversed Credit Event Reference Obligation.

Credit Event Reference Obligation

With respect to each Payment Date, any Reference Obligation in the Reference Pool for which a Credit Event has occurred and is reported during the related Reporting Period.

Tranche Write-down Amount

With respect to each Payment Date, the excess, if any, of the Principal Loss Amount for such Payment Date over the Principal Recovery Amount for such Payment Date.

With respect to each Payment Date, the Class Notional Amount of the Senior Reference Tranche will be increased by the excess, if any, of the Tranche Write-down Amount for such Payment Date over the Credit Event Amount for such Payment Date.

Tranche Write-up Amount

With respect to each Payment Date, the excess, if any, of the Principal Recovery Amount for such Payment Date over the Principal Loss Amount for such Payment Date.

Allocation of Tranche Write-down Amounts

On each Payment Date on or prior to the Termination Date, after allocation of the Senior Reduction Amount and Subordinate Reduction Amount, the Tranche Write-down Amount, if any, for such Payment Date will be allocated, *first*, to reduce any Overcollateralization Amount for such Payment Date, until such Overcollateralization Amount is reduced to zero and, *second*, to reduce the Class Notional Amount of each Reference Tranche in the following order of priority, in each case until its Class Notional



Amount is reduced to zero:

- (i) *first*, to the Class 2B and Class 2B-H Reference Tranches, pro rata, based on their Class Notional Amounts,
- (ii) *second*, to the Class 2M-2B and Class 2M-BH Reference Tranches, pro rata, based on their Class Notional Amounts,
- (iii) *third*, to the Class 2M-2A and Class 2M-AH Reference Tranches, pro rata, based on their Class Notional Amounts,
- (iv) *fourth*, to the Class 2M-1 and Class 2M-1H Reference Tranches, pro rata, based on their Class Notional Amounts, and
- (v) *fifth*, to the Class 2A-H Reference Tranche.

Because the Class 2M-1, Class 2M-2A, Class 2M-2B and Class 2B Notes correspond to the Class 2M-1, Class 2M-2A, Class 2M-2B and Class 2B Reference Tranches, respectively, any Tranche Write-down Amounts allocated to the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Reference Tranche will result in a corresponding reduction in the Class Principal Balance of the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Notes, as applicable (without regard to any exchanges of Exchangeable Notes for RCR Notes for such Payment Date). If any RCR Notes are held by Holders, any Tranche Write-down Amount that is allocable to the related Exchangeable Notes will be allocated to reduce the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes.

Allocation of Tranche Write-up Amounts

On each Payment Date on or prior to the Termination Date, after allocation of the Senior Reduction Amount and Subordinate Reduction Amount and Tranche Write-down Amounts, the Tranche Write-up Amount, if any, for such Payment Date will be allocated to increase the Class Notional Amount of each Reference Tranche in the following order of priority until the cumulative Tranche Write-up Amount so allocated is equal to the cumulative Tranche Write-down Amount previously allocated to such Reference Tranche on or prior to such Payment Date:

- (i) *first*, to the Class 2A-H Reference Tranche,
- (ii) *second*, to the Class 2M-1 and Class 2M-1H Reference Tranches, pro rata, based on their Class Notional Amounts,
- (iii) *third*, to the Class 2M-2A and Class 2M-AH Reference Tranches, pro rata, based on their Class Notional Amounts,
- (iv) *fourth*, to the Class 2M-2B and Class 2M-BH Reference



- Tranches, pro rata, based on their Class Notional Amounts, and
- (v) *fifth*, to the Class 2B and Class 2B-H Reference Tranches, pro rata, based on their Class Notional Amounts.

Because the Class 2M-1, Class 2M-2A, Class 2M-2B Notes and Class 2B Notes correspond to the Class 2M-1, Class 2M-2A, Class 2M-2B and Class 2B Reference Tranches, respectively, any Tranche Write-up Amounts allocated to the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Reference Tranche will result in a corresponding increase in the Class Principal Balance of the Class 2M-1, Class 2M-2A, Class 2M-2B or Class 2B Notes, as applicable (without regard to any exchanges of Exchangeable Notes for RCR Notes for such Payment Date). If any RCR Notes are held by Holders, any Tranche Write-up Amount that is allocable to the related Exchangeable Notes will be allocated to increase the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes.

To the extent that the Tranche Write-up Amount on any Payment Date exceeds the Tranche Write-up Amount allocated on such Payment Date, the excess (the "Write-up Excess") will be available as overcollateralization to offset any Tranche Write-down Amounts on future Payment Dates prior to the allocation of such Tranche Write-down Amounts to reduce the Class Notional Amounts of the related Reference Tranches. On each Payment Date, the "Overcollateralization Amount" equals (a) the aggregate amount of Write-up Excesses for such Payment Date and all prior Payment Dates, minus (b) the aggregate amount of Overcollateralization Amounts used to offset Tranche Write-down Amounts on all prior Payment Dates.

Credit Event Reversals and Reference Pool Removals

Reversed Credit Event Reference Obligation

With respect to any Payment Date, a Reference Obligation that was formerly in the Reference Pool and that became a Credit Event Reference Obligation in a prior Reporting Period and (i) that is repurchased by the lender or with respect to which the lender agrees to a full indemnification of Fannie Mae or provides a fee in lieu of repurchase for any identified Eligibility Defect, (ii) with respect to which the related lender has declared bankruptcy, has become insolvent or has been put into receivership and an Eligibility Defect is identified that could otherwise have resulted in a repurchase or (iii) with respect to which a violation of certain specified Eligibility Criteria is discovered as a result of a data correction.



**Reference Pool
Removals**

A Reference Obligation will be removed (a "Reference Pool Removal") from the Reference Pool upon the occurrence of any of the following:

- (1) the Reference Obligation becomes a Credit Event Reference Obligation;
- (2) the Reference Obligation is paid in full;
- (3) the Reference Obligation is seized pursuant to an eminent domain proceeding with respect to the underlying mortgage loan;
- (4) the lender repurchases the Reference Obligation, agrees to a full indemnification agreement or fee in lieu of repurchase for the Reference Obligation;
- (5) Fannie Mae elects to sell (a) a delinquent Reference Obligation that is less than 12 months delinquent at the time it is offered for sale or (b) a Reference Obligation that previously had been seriously delinquent and is current at the time it is offered for sale;
- (6) the discovery of any of certain specified violations of the Eligibility Criteria for such Reference Obligation as a result of data correction; or
- (7) the lender has declared bankruptcy, has become insolvent or has been put into receivership and an Eligibility Defect is identified that could otherwise have resulted in a repurchase.

A Reference Obligation will be removed from the Reference Pool or will become a Reversed Credit Event Reference Obligation if a loan data change occurs that causes the Reference Obligation to no longer meet one or more of the criteria set forth in clauses (a), (e), (f), (g), (j) and (k) of the definition of Eligibility Criteria.

Rep and Warrant Settlement Allocation

**Origination Rep and
Warranty Settlement**

A settlement relating to claims arising from breaches of loan representations and warranties that Fannie Mae enters into with a seller or servicer in lieu of requiring such seller or servicer to repurchase a specified pool of Mortgage Loans that includes one or more Reference Obligations, whereby Fannie Mae has received the agreed-upon settlement proceeds from such seller or servicer.



**Rep and Warranty
Settlement Amount**

For each Reference Obligation that is part of an Origination Rep and Warranty Settlement (including any Reference Obligation that may previously have been removed from the Reference Pool due to a Credit Event), the portion of the settlement amount determined to be attributable to such Reference Obligation. The determination will be made by Fannie Mae at or about the time of the settlement and will be verified by an independent third party as described below.

After completion of an Origination Rep and Warranty Settlement that includes any Reference Obligations, Fannie Mae will engage an independent third party to conduct an annual review to validate that the Rep and Warranty Settlement Amount corresponding to each Reference Obligation matches Fannie Mae's records for such settlement.

MORTGAGE LOANS IN REFERENCE POOL

**Reference
Obligations**

The Reference Pool represents the mortgage loans acquired by Fannie Mae between January 1, 2016 and April 30, 2016 that meet the Eligibility Criteria, as defined below. The Reference Pool summary attached to this term sheet provides additional details about the Reference Obligations in the Reference Pool.

**Reference Pool
Eligibility Criteria**

Each mortgage loan in the Reference Pool must satisfy the following criteria (the "Eligibility Criteria"):

- (a) is a fully amortizing, fixed rate, first lien Mortgage Loan secured by a one- to four-unit property, town house, individual condominium unit, individual unit in a planned unit development, individual cooperative unit or manufactured home, with an original term of 301 to 360 months;
- (b) was acquired by Fannie Mae between January 1, 2016 and April 30, 2016;
- (c) has not been 30 or more days delinquent from the date of acquisition to the Cut-off Date and has been current on each of the three consecutive payment dates immediately preceding the Cut-off Date;
- (d) was not originated under Fannie Mae's Refi Plus program (Fannie Mae's Refi Plus program includes but is not limited to the Home Affordable Refinance Program);
- (e) has an original combined loan-to-value ratio less than or equal to 97%;
- (f) as of the Cut-off Date, is not subject to an Origination Rep and Warranty Settlement;
- (g) is not subject to any form of risk sharing with the loan



- seller (other than limited seller indemnification in certain cases);
- (h) was not originated under certain non-standard programs;
 - (i) is a conventional loan (i.e. is not guaranteed by the Federal Housing Administration or the U.S. Department of Veterans Affairs);
 - (j) has an original loan-to-value ratio that is (i) greater than 80% and (ii) less than or equal to 97%; and
 - (k) (i) is not covered by pool insurance and (ii) is covered by private mortgage insurance as of the Cut-off Date or was covered by private mortgage insurance at the time of acquisition that has since been cancelled or otherwise eliminated by the borrower as permitted under Fannie Mae's Servicing Guide or in the case of certain Reference Obligations secured by mortgaged properties in the State of New York, was not covered by private mortgage insurance at the time of acquisition as permitted under Fannie Mae's Selling Guide.

**Reference Pool
Selection Process**

Fannie Mae determined the composition of the Reference Pool utilizing a multi-step process. All mortgage loans that Fannie Mae acquired between January 1, 2016 and March 31, 2016 (the "January – March 2016 Acquisitions") and all mortgage loans that Fannie Mae acquired between April 1, 2016 and April 30, 2016 (the "April 2016 Acquisitions" and, together with the January – March 2016 Acquisitions, the "January – April 2016 Acquisitions") were divided into two segments on a random basis. The first and second segments included loans representing approximately 79.99% and 20.01%, respectively, of the January – March 2016 Acquisitions (measured by unpaid principal balance at the time of acquisition) plus 74.95% and 25.05%, respectively, of the April 2016 Acquisitions (measured by unpaid principal balance at the time of acquisition). The loans included in the first segment (representing approximately 79.99% of the January – March 2016 Acquisitions and 74.95% of the April 2016 Acquisitions) were made available for potential selection for the Reference Pool (such loans, the "Available Loans"). The loans included in the second segment (representing approximately 20.01% of the January – March 2016 Acquisitions and 25.05% of the April 2016 Acquisitions) were made available for potential selection for an unrelated Fannie Mae credit risk transaction and will not be included in the Reference Pool.

Fannie Mae thereafter selected for inclusion all Available Loans that met the Eligibility Criteria.



The "Initial Cohort Pool" represents all of the Available Loans that met the Eligibility Criteria at the time of their acquisition by Fannie Mae (other than those Eligibility Criteria that are determined as of the Cut-Off Date). The table below summarizes the loan count, original unpaid principal balance and key attributes of the mortgage loans included in the Initial Cohort Pool.

<u>Category</u>	<u>Loan Count</u>	<u>Aggregate Original Loan Balance</u>
Initial Cohort Pool	101,447	\$24,138,063,000
Less loans that did not satisfy the delinquency criteria set forth in clause (c) of the Eligibility Criteria, less loans that paid-in-full, less quality control removals	<u>4,700</u>	<u>\$1,302,148,000</u>
Reference Pool	96,747	\$22,835,915,000

The table below summarizes the loans in the Initial Cohort Pool which were excluded from the Reference Pool due to failure to satisfy the delinquency-related Eligibility Criteria, payoffs and quality control removals.

Worst DQ Status Since Acquisition	Current Status ⁽¹⁾											Total
	Current	30	60	90	120	150	180	>180	Paid in Full	QC Removal	Repurchase	
Current	54 ⁽²⁾	0	0	0	0	0	0	0	2,897	14	0	2,965
30	1,110	401	0	0	0	0	0	0	41	1	0	1,553
60	57	10	51	0	0	0	0	0	3	0	0	121
90	16	0	2	22	0	0	0	0	0	0	0	40
120	1	0	0	0	16	0	0	0	0	0	0	17
150	0	0	0	0	0	2	0	0	0	0	0	2
180	0	0	0	0	0	0	2	0	0	0	0	2
>180	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,238	411	53	22	16	2	2	0	2,941	15	0	4,700

(1) The above table takes into account acquisition eligibility criteria prior to the consideration of delinquency and other Cut-Off Date eligibility requirements, which could understate such Cut-Off Date eligibility exclusions.

(2) Defects identified, but the loans remain subject to the rebuttal process as of November 11, 2016 and therefore excluded from eligibility.



Loan Acquisition Practices

All of the Reference Obligations were acquired from and serviced by loan sellers and servicers who are approved by Fannie Mae to conduct business with Fannie Mae. Fannie Mae relies on loan sellers to comply with Fannie Mae's standards and make underwriting decisions that result in investment quality loans. To protect Fannie Mae from acquiring loans that do not meet Fannie Mae's prescribed underwriting standards, loan sellers are required to make representations and warranties as to certain facts and circumstances concerning the loan sellers themselves and the mortgage loans they are selling. Representations and warranties required by Fannie Mae are described in the Mortgage Selling and Servicing Contract, the Fannie Mae Single-Family Selling Guide (the "Selling Guide"), the Fannie Mae Single-Family Servicing Guide (the "Servicing Guide") and other lender contracts (collectively, the "Lender Contract"). Violation of any representation and warranty is a breach of the Lender Contract, entitling Fannie Mae to pursue certain remedies, including a loan repurchase request.

Underwriting Standards

Fannie Mae's Selling Guide establishes the baseline credit standards for mortgage loans that Fannie Mae acquires from Fannie Mae's approved loan sellers. In evaluating a borrower's willingness and ability to repay the mortgage loan, the loan seller must include documentation in the loan file that confirms that information provided by the borrower as part of the loan application is accurate and documents the loan seller's assessment of the borrower's credit history, employment, income, assets and other financial information. In addition, the loan seller must conduct a comprehensive risk assessment of each mortgage loan application prior to approving it. The loan seller is also responsible for the accuracy and completeness of the appraisal and its assessment of the marketability of the property as well as underwriting the appraisal report to determine whether the property presents adequate collateral for the mortgage loan.

Desktop Underwriter

Approximately 90.02% of the Reference Obligations, by unpaid principal balance, were underwritten through Fannie Mae's Desktop Underwriter® ("DU") system. DU is a proprietary automated underwriting system that evaluates mortgage delinquency risk and arrives at an underwriting recommendation by conducting a comprehensive examination of the primary and contributory risk factors in a mortgage application. DU analyzes the information in the loan case file to reach an overall credit risk assessment to determine eligibility for delivery to Fannie Mae. In addition, DU



outlines certain steps necessary for the loan seller to complete the processing of the loan file, including the required documentation necessary to verify borrower income, assets, and property value. All loans delivered to Fannie Mae must meet the documentation requirements stated in the Selling Guide or as required by DU as of the date of origination.

Servicing Practices

The servicing of the mortgage loans that are held in Fannie Mae's mortgage portfolio or that back Fannie Mae's MBS is performed by servicers on Fannie Mae's behalf, with Fannie Mae retaining servicing control. Each servicer is required to service the applicable Reference Obligations in accordance with Fannie Mae's servicing guidelines as stated in Fannie Mae's Servicing Guide and related announcements, including applicable contract variances. Fannie Mae's servicing guidelines may be revised from time to time at Fannie Mae's sole discretion.

Fannie Mae's QC Process

General

Fannie Mae conducts several different types of QC reviews on a sample basis with respect to mortgage loans, including post-purchase reviews, early payment default reviews, servicing reviews and post-foreclosure reviews. Fannie Mae reviews a statistically valid random sample of newly acquired performing mortgage loans, and augments this random sample with targeted, discretionary sampling employing a number of technology tools and internal models to more accurately identify loans with characteristics that merit further scrutiny in discretionary reviews.

During the course of its post-purchase QC reviews, Fannie Mae may identify the following:

- significant eligibility violations;
- breaches of selling representations or warranties, including instances of fraud or misrepresentation or that a selling warranty the lender made is untrue;
- breaches of the terms of applicable contract provisions; or
- servicing deficiencies that have had a materially adverse effect on the value of the mortgage loan or the acquired property.

If Fannie Mae identifies any of the foregoing, Fannie Mae may require the immediate repurchase of a mortgage loan.



Fannie Mae refers to defects that ultimately give rise to a repurchase obligation as "Eligibility Defects." In certain circumstances, Fannie Mae may provide the loan seller with an alternative to the immediate repurchase of a mortgage loan that does not meet Fannie Mae's requirements.

Under Fannie Mae's lender selling representations and warranties framework, lenders are relieved of certain selling representations and warranties that relate to the underwriting of loans delivered to Fannie Mae, provided that those loans have achieved an acceptable payment history or a successful full-file quality control review by Fannie Mae. Nonetheless, lenders will not be relieved from Fannie Mae's enforcement with respect to certain "life of loan representations and warranties," including, but not limited to, fraud and misrepresentation, validity of title and Fannie Mae Charter violations.

Any limitations on Fannie Mae's ability to require the repurchase of a mortgage loan is likely to reduce the rate of lender repurchases following certain breaches and thus may increase the exposure of investors to credit losses.

Delinquent Mortgage Loans

Fannie Mae's current quality control process requires completion of an automated analysis of all defaulted loans that remain subject to loan seller repurchase obligations at the time of default. The objective is to determine the likelihood that a defect exists that will result in a repurchase by the loan seller. This automated analysis triggers referral to a specialist for a detailed review. The analysis takes into account the nature and circumstances of the borrower default, the timing and prior payment history of the borrower, the current status of the loan and/or property and other data elements that, based on Fannie Mae's experience, indicate that the default is correlated with a potential loan seller breach requiring a repurchase.

Fannie Mae's QC policies and procedures are generally subject to revision over time as a result of changes in the economic environment as well as changes in regulatory policies and requirements, including implementation of the "Single Security Initiative", among other factors. Further, Fannie Mae may at any time modify our servicing requirements and other procedures in light of our evolving business needs and to minimize losses to taxpayers and our



shareholders, among other purposes. These changes may be adopted without regard to investors and in some cases may have a negative impact on Noteholders.

Fannie Mae QC Results

Fannie Mae's post-purchase QC process is designed to evaluate the eligibility of the loans Fannie Mae acquires. In connection with Fannie Mae's post-purchase QC reviews for mortgage loans with LTVs greater than 80% that Fannie Mae acquired from January 1, 2016 through April 30, 2016, Fannie Mae reviewed 6,446 mortgage loans out of the eligible production for the period January 1, 2016 through April 30, 2016, an approximate 6.32% sample, of which 6,044 are in the Reference Pool. Of the 6,446 mortgage loans, approximately 5.24% (or 338 mortgage loans) remain subject to Fannie Mae's post-purchase QC process as of November 11, 2016.

The following summary is preliminary based on the most current information available as of November 11, 2016. The prospectus will contain additional information about the results of Fannie Mae's post-purchase QC reviews.

Type of Sample	Number of Loans Reviewed*	Loans With Eligibility Defects	Share of Sample with Eligibility Defects
Randomly Selected	1,309	7	0.53%
Discretionary Selections	<u>5,137</u>	<u>72</u>	<u>1.40%</u>
Total	6,446	79	1.23%

* 338 loans remain subject to the discretionary post-purchase review process as of November 11, 2016, some of which may be determined to have eligibility defects.

None of the loans determined by Fannie Mae to have Eligibility Defects as of November 11, 2016 were included in the Reference Pool.



**Quarterly Due
Diligence Review**

In connection with the issuance from time to time of Connecticut Avenue Securities, Fannie Mae engages third-party diligence providers (each, a "Diligence Provider") to conduct limited reviews of mortgage loans that Fannie Mae acquires in a specified calendar quarter and includes in fully-guaranteed MBS. Each Diligence Provider selects for review a statistically valid, random sample of mortgage loan files (each, a "Diligence Sample") from a broader population of loans acquired in the applicable calendar quarter that received full credit and appraisal reviews (and a portion of which received compliance reviews) as part of Fannie Mae's random QC Process.

In its review of first quarter 2016 acquisitions, the Diligence Provider selected a Diligence Sample of 999 mortgage loan files from a broader population of 3,729 loans. 1,229 of the loans in the broader population met the Initial Eligibility Criteria. The related Diligence Sample included 265 Reference Obligations that were included in the final selection of the Reference Pool.

In its review of second quarter 2016 acquisitions, the Diligence Provider selected a Diligence Sample of 999 mortgage loan files from a broader population of 3,662 loans. 444 of the loans in the broader population met the Initial Eligibility Criteria. The related Diligence Sample included 82 Reference Obligations that were included in the final selection of the Reference Pool.

The "Initial Eligibility Criteria" are the Eligibility Criteria other than the criteria specified in clauses (c), (f) and (g) of the definition thereof.

The results of these first and second quarter 2016 reviews are described more fully in the related sections set forth under "*The Reference Obligations*" in the prospectus.

THE NOTES

Debt Agreement

The Notes will be issued pursuant to a debt agreement. The permissible Combinations of RCR Notes that may be issued in exchange for Exchangeable Notes are set forth on Schedule I hereto.

**Class Principal
Balance**

As of any Payment Date and for the Notes (in each case without regard to any exchange of Exchangeable Notes for RCR Notes):

- (a) the maximum dollar amount of principal to which the Holders of each related Class of Notes are then entitled, with such amount being equal to the initial Class Principal Balance of such Class of Notes, *minus*
- (b) the aggregate amount of principal paid by Fannie Mae on



- such Class of Notes on such Payment Date and all prior Payment Dates, *minus*
- (c) the aggregate amount of Tranche Write-down Amounts allocated to reduce the Class Principal Balance of such Class of Notes on such Payment Date and on all prior Payment Dates, and *plus*
 - (d) the aggregate amount of Tranche Write-up Amounts allocated to increase the Class Principal Balance of such Class of Notes on such Payment Date and on all prior Payment Dates.

The Class Principal Balance of each Class of Notes (other than RCR Notes) will at all times equal the Class Notional Amount of the Reference Tranche that corresponds to such Class of Notes. For the avoidance of doubt, no Tranche Write-up Amount or Tranche Write-down Amount will be applied twice on the same Payment Date. The Class Principal Balance of each outstanding Class of RCR Notes entitled to principal will be equal to the outstanding Class Principal Balance of the Exchangeable Notes that were exchanged for such RCR Notes.

Interest Accrual Amount

With respect to each outstanding Class of Notes and any Payment Date, an amount equal to the accrued interest at the class coupon on the Class Principal Balance or Class Notional Amount, as applicable, of each Class of Notes immediately prior to such Payment Date.

Interest Payment Amount

With respect to each outstanding Class of Notes and any Payment Date, the amount that Noteholders thereof will be entitled to receive from the Interest Accrual Amount for such Class of Notes, less any Modification Loss Amount for such Payment Date allocated to reduce such amount for such Class of Notes. In each case, interest amounts that are payable by Fannie Mae on the related Exchangeable Notes will be allocated to and payable on any outstanding RCR Notes.

Principal Payment

Except as described below, on each Payment Date, Fannie Mae will pay principal to Holders of each outstanding Class of Notes (without regard to any exchanges of Exchangeable Notes for RCR Notes) in an amount equal to the portion of the Senior Reduction Amount or Subordinate Reduction Amount, as applicable, allocated to the corresponding Reference Tranche on such Payment Date. No payments of principal will be made to the Reference Tranches.

On the earlier to occur of (x) the Early Redemption Date, if any, and (y) the Maturity Date, Fannie Mae will pay 100% of the outstanding Class Principal Balance to Holders of each Class of Notes, after allocations of the Tranche Write-Down Amount and the Tranche Write-up Amount for such Payment Date (without regard to any



exchanges of Exchangeable Notes for RCR Notes).

In each case, principal amounts that are payable by Fannie Mae on the related Exchangeable Notes will be allocated to and payable on any outstanding RCR Notes that are entitled to principal.

The Class 2M-2I Notes are not entitled to receive payments of principal. This Class has a "Class Notional Amount" as of any Payment Date equal to the outstanding Class Principal Balance of the Class 2M-2A Notes.

In addition, on the Termination Date, the Projected Recovery Amount will be included in the calculation of the Principal Recovery Amount.

Event of Default

An "Event of Default" for the Notes under the Debt Agreement will consist of:

- (a) any failure by Fannie Mae to pay principal or interest on a Note that continues unremedied for 30 days;
- (b) any failure by Fannie Mae to perform in any material respect any other obligation under the Debt Agreement if the failure continues unremedied for 60 days after Fannie Mae receives notification by the Holders of at least 25% of the outstanding Class Principal Balance of the Notes (with the outstanding Class Principal Balances of the Exchangeable Notes to be determined without regard to any exchanges for RCR Notes);
or
- (c) specified events of bankruptcy, insolvency or similar proceedings involving Fannie Mae.

Holders of RCR Notes will be entitled to exercise all the voting or direction rights that are otherwise allocated to the related Exchangeable Notes; provided, however, that Holders of any outstanding Class 2M-2R, Class 2M-2S, Class 2M-2T and Class 2M-2U Notes will be entitled to exercise their pro rata shares of 99% of the voting or direction rights that are otherwise allocated to the related Class 2M-2A Notes and Holders of Class 2M-2I Notes will be entitled to exercise 1% of the voting or direction rights that are otherwise allocated to the related Class 2M-2A Notes.

The appointment of a conservator (or other similar official) by a regulator having jurisdiction over Fannie Mae, whether or not Fannie Mae consents to such appointment, will not constitute an Event of Default.

Rights Upon Event of Default

If an Event of Default under the Debt Agreement continues unremedied, Holders of not less than 50% of the Class Principal Balance amount of each Class of Notes (with the outstanding Class



Principal Balances of Exchangeable Notes to be determined without regard to any exchanges for RCR Notes) to which such Event of Default relates may, by written notice to Fannie Mae, declare such Notes due and payable.

No Noteholder has any right under the Debt Agreement to institute any action or proceeding at law or in equity or in bankruptcy or otherwise, or for the appointment of a receiver or trustee, or for any other remedy, unless:

- (a) the Noteholder has previously given Fannie Mae written notice of an Event of Default and of the continuance thereof;
- (b) the Holders of not less than 50% of the outstanding Class Principal Balance of each Class of Notes to which such Event of Default relates (with the outstanding Class Principal Balances of the Exchangeable Notes to be determined without regard to any exchanges for RCR Notes) have given Fannie Mae written notice of the Event of Default; and
- (c) the Event of Default continues uncured for 60 days following such notice.

The Holders of not less than 50% of the outstanding Class Principal Balance of each Class of Notes (with the outstanding Class Principal Balances of the Exchangeable Notes to be determined without regard to any exchanges for RCR Notes) to which an Event of Default relates may waive, rescind or annul such Event of Default as it relates to such Class at any time.

Holders of such RCR Notes will be entitled to exercise all the voting or direction rights otherwise allocable to the related Exchangeable Notes as further described in the prospectus.

**Exchange
Administration**

Under the Global Agency Agreement, the Exchange Administrator will be engaged by Fannie Mae to perform certain administrative functions with respect to exchanging Exchangeable Notes for RCR Notes and vice versa. The Exchange Administrator will, among other duties set forth in the Global Agency Agreement, administer all exchanges of Exchangeable Notes for RCR Notes and vice versa, which will include receiving notices of requests for such exchanges from Noteholders, accepting the Notes to be exchanged, and giving notice to the Global Agent of all such exchanges. The Exchange Administrator will notify the Global Agent with respect to any exchanges of Exchangeable Notes for RCR Notes (and vice versa) at the time of such exchange, and the Global Agent will make all subsequent payments in accordance with such notice, unless notified of a subsequent exchange by the Exchange Administrator.



INVESTMENT CONSIDERATIONS

**United States Federal
Tax
Consequences**

Fannie Mae expects to receive an opinion from Hunton & Williams LLP that, although the matter is not free from doubt, each of the Class 2M-1, Class 2M-2A and Class 2M-2B Notes sold on the Closing Date (including through a sale of RCR Notes) to a person unrelated to Fannie Mae will be characterized as indebtedness for U.S. federal income tax purposes. Fannie Mae and each Holder of such a Note, by acceptance of such Note, will agree to treat such Note as indebtedness of Fannie Mae for all U.S. federal income tax purposes unless otherwise required by law. The arrangement under which the RCR Notes are created will be classified as a grantor trust for U.S. federal income tax purposes. The RCR Notes represent beneficial ownership interests in the applicable Exchangeable Notes for U.S. federal income tax purposes.

The Class 2B Notes could be characterized as either derivatives or equity instruments, rather than debt, for U.S. federal income tax purposes. While the characterization is not entirely clear, Fannie Mae intends to take the position that each Class 2B Note will be treated as a notional principal contract for U.S. federal income tax purposes (other than for purposes of U.S. federal withholding tax).

Because the U.S. federal income tax characterization of the Class 2B Notes is uncertain, the characterization of payments on the Class 2B Notes for U.S. withholding tax purposes is also uncertain. As a result, to the extent that Fannie Mae makes payments to a beneficial owner not exempt from withholding with respect to a Class 2B Note, Fannie Mae and its paying agent intend to withhold U.S. federal income tax on the entire amount of each class coupon payment (as adjusted as a result of any Modification Events) with respect to such Class 2B Note. Further, Fannie Mae expects that other withholding agents making such payments to a non-U.S. beneficial owner will also withhold on such payments. Fannie Mae will not gross up for such withheld amounts. Accordingly, potential investors that are not U.S. persons should consult with their tax advisors regarding the suitability of the Class 2B Notes for investment.

ERISA Considerations

Employee benefit plans and entities holding the assets of any such plan may purchase the Notes only if purchasing and holding the Notes will not result in a nonexempt prohibited transaction under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or the Internal Revenue Code of 1986, as amended (the "Code"), or a non-exempt violation of any similar federal, state or local law.



Legal Investment

The Notes will not be "mortgage related securities" for purposes of the Secondary Mortgage Market Enhancement Act of 1984, as amended ("SMMEA"). No representation is or will be made as to the proper characterization of the Notes for legal investment or other purposes, the ability of particular investors to purchase Notes for legal investment or other purposes or the ability of particular investors to purchase the Notes under applicable legal investment or other restrictions.

EU Risk Retention

In connection with Article 405(1) of EU Regulation 575/2013, Fannie Mae will retain a material net economic interest in the exposure related to the Notes issuance transaction of not less than 5%.

Notes Not Listed

At the time of issuance, the Notes are not expected to be listed on any national securities exchange or traded on any automated quotation systems of any registered securities association.

Registration and Denomination

The Notes will be issuable in book-entry form through DTC, Euroclear and Clearstream in minimum denominations of \$10,000 with integral multiples of \$1 in excess thereof. The Notes are being offered only to "Qualified Institutional Buyers" (as defined in Rule 144A under the Securities Act).

Record Date

The business day preceding a Payment Date, with respect to beneficial interests in book-entry Notes and the last business day of the preceding month of a Payment Date, with respect to definitive Notes.



EXAMPLE OF PAYMENTS

The following sets forth an example of reporting of principal payments from borrowers on the Reference Obligations and payments on the Notes for the Payment Date in December 2016:

October 1 through October 31	Reporting Period	The Master Servicer will report principal payments on the Reference Obligations received during the related Reporting Period (October 1 through October 31) from borrowers including scheduled principal and full and partial principal prepayments.
October 31	Delinquency Determination Date	The Master Servicer will report the MBA delinquency status on the Reference Obligations determined as of the Delinquency Determination Date (October 31).
December 12	Master Servicer Remittance Date	Master Servicer will provide remittance file in respect of the Reference Obligations to the Global Agent on or prior to the 8th business day of each month.
December 23	Record Date	Distributions on each Payment Date will be made to Holders of record for all classes of Notes as of the business day immediately preceding such Payment Date.
December 27	Payment Date	On the 25 th day of each month (or if the 25 th day is not a business day, the next business day), the Issuer will make payments to Noteholders.

Succeeding months will follow the same pattern.



SCHEDULE I

**CONNECTICUT AVENUE SECURITIES, SERIES 2016-C07
RCR NOTES
AVAILABLE COMBINATIONS AND RECOMBINATIONS**

Combination	Class of Exchangeable Note	Original Balance (\$)	Exchange Proportions (%)⁽¹⁾	Class of RCR Note	Maximum Original Balance / Notional Amount (\$)	Exchange Proportions (%)⁽¹⁾	Class Coupon (%)	Expected Ratings (Fitch/KBRA)
1	2M-2A	\$139,031,000	30.9523862531%	2M-2	\$449,177,000	100%	1mL + —%	Bsf/B+(sf)
	2M-2B	\$310,146,000	69.0476137469%					
2	2M-2A	\$139,031,000	100%	2M-2R	\$139,031,000	100%	1mL + —%	BB+sf/BBB-(sf)
				2M-2I	\$73,860,219 ⁽²⁾	53.125%	3.2000%	BB+sf/BBB-(sf)
3	2M-2A	\$139,031,000	100%	2M-2S	\$139,031,000	100%	1mL + —%	BB+sf/BBB-(sf)
				2M-2I	\$95,583,813 ⁽²⁾	68.750%	3.2000%	BB+sf/BBB-(sf)
4	2M-2A	\$139,031,000	100%	2M-2T	\$139,031,000	100%	1mL + —%	BB+sf/BBB-(sf)
				2M-2I	\$117,307,406 ⁽²⁾	84.375%	3.2000%	BB+sf/BBB-(sf)
5	2M-2A	\$139,031,000	100%	2M-2U	\$139,031,000	100%	1mL + —%	BB+sf/BBB-(sf)
				2M-2I	\$139,031,000 ⁽²⁾	100%	3.2000%	BB+sf/BBB-(sf)

⁽¹⁾ Exchange proportions are constant proportions of the original Class Principal Balances or Class Notional Amounts, as applicable, of the Class or Classes of Exchangeable or RCR Notes being exchanged. In accordance with the exchange proportions, Holders of Exchangeable Notes may exchange those Notes for RCR Notes, and vice versa.

⁽²⁾ This Class is an interest only class with a Class Notional Amount as of any Payment Date equal to the outstanding Class Principal Balance of the Class 2M-2A Notes. Holders of Class 2M-2I Notes will receive shares of the interest amounts payable on the Class 2M-2A Notes represented by the exchange proportions shown in this table.



GLOSSARY OF CERTAIN DEFINED TERMS

"Credit Event Amount" means, with respect to each Payment Date, the aggregate amount of the Credit Event UPB of all Credit Event Reference Obligations for the related Reporting Period.

"Credit Event Net Gain" means, with respect to any Credit Event Reference Obligation, an amount equal to the *excess*, if any, of:

- (a) the related Net Liquidation Proceeds, over
- (b) the *sum* of:
 - (i) the related Credit Event UPB;
 - (ii) the total amount of prior principal forgiveness modifications, if any, on the related Credit Event Reference Obligation; and
 - (iii) delinquent accrued interest thereon, calculated at the applicable Current Accrual Rate from the related last-paid interest date through the date such Reference Obligation has been reported as a Credit Event Reference Obligation.

"Credit Event Net Loss" means, with respect to any Credit Event Reference Obligation, an amount equal to the *excess*, if any, of:

- (a) the sum of:
 - (i) the related Credit Event UPB;
 - (ii) the total amount of prior principal forgiveness modifications, if any, on the related Credit Event Reference Obligation; and
 - (iii) delinquent accrued interest thereon, calculated at the related Current Accrual Rate from the related last paid interest date through the date such Reference Obligation has been reported as a Credit Event Reference Obligation, *over*
- (b) the related Net Liquidation Proceeds.

As indicated below, the Net Liquidation Proceeds for any Credit Event Reference Obligation will be determined based on the proceeds received (net of related expenses and credits) during the period including the month in which such Reference Obligation became a Credit Event Reference Obligation together with the immediately following three-month period. Any proceeds or expenses received or incurred thereafter with respect to such Credit Event Reference Obligation will be determined on a monthly basis for inclusion in the calculation of the Principal Recovery Amount or Principal Loss Amount, as applicable.

"Credit Event Reference Obligation" means, with respect to any Payment Date, any Reference Obligation with respect to which a Credit Event has occurred.



"Credit Event UPB" means, with respect to each Credit Event Reference Obligation, the unpaid principal balance of such Reference Obligation as of the end of the Reporting Period related to the Payment Date that it became a Credit Event Reference Obligation.

"Current Accrual Rate" means, with respect to each Payment Date and any Reference Obligation, the current mortgage rate, less the greater of (i) the related servicing fee rate and (ii) 35 basis points.

"Delinquency Test" means, for any Payment Date, a test that will be satisfied if:

(a) the sum of the Distressed Principal Balance for the current Payment Date and each of the preceding five Payment Dates, divided by six, is less than

(b) 40% of the excess of (i) the product of (x) the Subordinate Percentage and (y) the aggregate unpaid principal balance of the Reference Obligations as of the preceding Payment Date over (ii) the Principal Loss Amount for the current Payment Date.

"Distressed Principal Balance" means, for any Payment Date, the aggregate unpaid principal balance of the Reference Obligations that are 90 days or more delinquent or are otherwise in foreclosure, bankruptcy or REO status.

"Minimum Credit Enhancement Test" means, with respect to any Payment Date, a test that will be satisfied if the Subordinate Percentage (solely for purposes of such test, rounded to the sixth decimal place) is greater than or equal to 4.250000%.

"Mortgage Insurance Credit Amount" means, with respect to any Credit Event Reference Obligation the full amount, if any, that may be claimed as contractual proceeds of any mortgage insurance covering such Reference Obligation at the time such Reference Obligation became a Credit Event Reference Obligation, without regard to whether such amount or any portion thereof is actually received by or reimbursed to Fannie Mae from the applicable mortgage insurer, servicer or any other source. For the avoidance of doubt, the "Mortgage Insurance Credit Amount" will not include amounts that otherwise may have been claimed to the extent the related mortgage insurance coverage has been rescinded or has been denied or curtailed due to origination or servicing breaches.

"Net Liquidation Proceeds" means, with respect to any Credit Event Reference Obligation, the sum of the related liquidation proceeds, any Mortgage Insurance Credit Amount and any proceeds received from the related servicer in connection with such Credit Event Reference Obligation, less related expenses and credits, including but not limited to taxes and insurance, legal costs, maintenance and preservation costs, in each case during the period including the month in which such Reference Obligation became a Credit Event Reference Obligation together with the immediately following three-month period.

"Original Accrual Rate" means, with respect to any Reference Obligation, the mortgage rate as of the Cut-off Date, less the greater of (i) the related servicing fee and (ii) 35 basis points.

"Preliminary Class Notional Amount" means, for a Payment Date and Reference Tranche, an amount equal to the Class Notional Amount of a Reference Tranche immediately



prior to such Payment Date after the application of the Preliminary Tranche Write-down Amount in accordance with the priorities set forth in the Allocation of Tranche Write-down Amount for the related Notes and after the application of the Preliminary Tranche Write-up Amount in accordance with the priorities set forth in the Allocation of Tranche Write-up Amount.

"Preliminary Principal Loss Amount" means, for a Payment Date, an amount equal to the Principal Loss Amount computed without giving effect to clause (d) of the definition of Principal Loss Amount.

"Preliminary Tranche Write-down Amount" means, for a Payment Date, an amount equal to the Tranche Write-down Amount computed using the Preliminary Principal Loss Amount instead of the Principal Loss Amount.

"Preliminary Tranche Write-up Amount" means, for a Payment Date, an amount equal to the Tranche Write-up Amount computed using the Preliminary Principal Loss Amount instead of the Principal Loss Amount.

"Projected Recovery Amount" means, as of the Termination Date, the aggregate amount of subsequent recoveries, net of expenses and credits, projected to be received on the Reference Obligations, calculated based on a formula to be derived by Fannie Mae from the actual net recovery experience during the 30-month period immediately preceding the Termination Date, plus any additional amount determined by Fannie Mae in its sole discretion to be appropriate for purposes of the foregoing projection in light of then-current market conditions. Information regarding the formula and results of the related calculations will be provided to Holders through Payment Date Statements in advance of the Termination Date, if any. In the absence of manifest error, Fannie Mae's determination of the Projected Recovery Amount shall be final.

The prospectus will contain further information regarding the Projected Recovery Amount.

"Senior Percentage" means, with respect to each Payment Date, the percentage equivalent of a fraction, the numerator of which is the Class Notional Amount of the Senior Reference Tranche immediately prior to such Payment Date and the denominator of which is the aggregate unpaid principal balance of the Reference Obligations at the end of the previous Reporting Period.

"Subordinate Percentage" means, with respect to each Payment Date and the Notes, 100% minus the Senior Percentage for such Payment Date.



Weighted Average Life and Modeling Assumptions

Weighted average life of a Class of Notes refers to the average amount of time that will elapse from the date of issuance of such Class of Notes until each dollar is distributed and any Tranche Write-down Amount is allocated in reduction of its principal balance. The weighted average lives of the Notes will be influenced by, among other things, the rate at which principal of the mortgage loans that are Reference Obligations is paid, which may be in the form of scheduled amortization, prepayments or liquidations and the timing and rate of allocation of Tranche Write-down Amounts and Tranche Write-Up Amounts.

Prepayments on mortgage loans are commonly measured relative to a constant prepayment standard or model. The model used in this term sheet for the Reference Obligations is a Constant Prepayment Rate (or "CPR"). CPR assumes that the outstanding principal balance of a pool of mortgage loans prepays at a specified constant annual rate. In projecting monthly cashflows, this rate is converted to an equivalent monthly rate. CPR does not purport to be either a historical description of the prepayment experience of mortgage loans or a prediction of the anticipated rate of prepayment of any mortgage loans, including the Reference Obligations. The percentages of CPR in the tables below do not purport to be historical description of relative prepayment experience of the Reference Obligations or predictions of the anticipated relative rate of prepayment of the Reference Obligations. Variations in the prepayment experience and the principal balance of the Reference Obligations that prepay may increase or decrease the percentages of initial Class Principal Balance (and weighted average lives) shown in the following tables. Such variations may occur even if the average prepayment experience of all such Reference Obligations equals any of the specified percentages of CPR.

The Weighted Average Life Tables, Declining Balances Tables, Credit Event Sensitivity Tables, Cumulative Note Write-down Amount Tables and Yield Tables below were prepared based on the following assumptions (collectively, the "Modeling Assumptions"):

- (1) the initial Class Principal Balances or Class Notional Amounts are as set forth in the table on page 4;
- (2) the scheduled monthly payment for each Reference Obligation is based on its outstanding principal balance, current mortgage rate and remaining amortization term to maturity so that it will fully amortize in amounts sufficient for the repayment thereof over its remaining amortization term to maturity;
- (3) each monthly payment of scheduled principal and interest on the Reference Obligations is timely received on the first day of each month commencing in December 2016;
- (4) other than with respect to the Declining Balances Tables, the Reference Obligations experience Credit Events at the indicated CDR percentages and there is no lag between the related Credit Event Amounts and the application of any related Recovery Principal; the Principal Loss Amount is equal to 15% of the Credit Event Amount; in the case of the Declining Balances Tables, it is assumed that no Credit Events occur;
- (5) the Delinquency Test is satisfied for each Payment Date;



- (6) principal prepayments in full on the Reference Obligations are received on the last day of each month beginning in the calendar month prior to the month in which the first Payment Date occurs;
- (7) there are no partial principal prepayments on the Reference Obligations;
- (8) the Reference Obligations prepay at the indicated CPR percentages;
- (9) except as specified in the tables, there are no defaults or delinquencies on the Reference Obligations;
- (10) Payment Dates occur on the 25th day of each month commencing in December 2016;
- (11) there are no purchases, removals, reinstatements, or substitutions of Reference Obligations;
- (12) there are no Modification Events or data corrections in connection with the Reference Obligations;
- (13) the Maturity Date is the Payment Date in May 2029;
- (14) there is no Early Redemption Option exercised (except in the case of Weighted Average Life in Years (to Early Redemption Option));
- (15) the Closing Date is December 8, 2016;
- (16) one-month LIBOR stays constant at 0.53533%;
- (17) the Reference Obligations are aggregated into the assumed mortgage loans having the characteristics as described in "Assumed Characteristics of the Reference Obligations as of the Cut-Off Date";
- (18) there are no Reversed Credit Event Reference Obligations;
- (19) the Projected Recovery Amount is zero;
- (20) there are no Originator Rep and Warranty Settlements; and
- (21) the Class 2M-1 margin is equal to 1.35%, the Class 2M-2 margin is equal to 4.30% and the Class 2B margin is equal to 9.25%.

The Default Sensitivity tables assume a constant rate of Reference Obligations becoming Credit Event Reference Obligations each month relative to the then outstanding aggregate principal balance of Reference Obligations. This credit event rate (or "CDR") does not purport to be either an historical description of the default experience of the Reference Obligations or a prediction of the anticipated rate of defaults on the Reference Obligations. The rate and extent of actual defaults experienced on the Reference Obligations are likely to differ from those assumed and may differ significantly. A rate of 1.0% CDR assumes Reference Obligations become Credit Event Reference Obligations at an annual rate of 1.0% which remains in effect through the remaining lives of such Reference Obligations. Further, it is unlikely the Reference Obligations will become Credit Event Reference Obligations at any specified percentage of CDR.



Assumed Characteristics of the Reference Obligations as of the Cut-Off Date

Assumed Reference Obligation Group Number	Outstanding Principal Balance (\$)	Remaining Term to Maturity (months)	Original Term to Maturity (months)	Current Mortgage Rate (%)
1	224,989.90	354	360	2.875
2	746,832.36	354	360	3.000
3	3,924,295.36	353	360	3.125
4	14,605,289.22	353	360	3.250
5	50,942,711.36	354	360	3.375
6	254,496,096.14	355	360	3.499
7	825,572,291.01	354	360	3.624
8	1,972,358,462.94	354	360	3.749
9	3,124,016,854.14	354	360	3.874
10	3,915,840,891.55	353	360	3.997
11	3,403,445,982.34	353	360	4.123
12	3,292,506,219.25	353	360	4.247
13	2,152,100,239.05	353	360	4.374
14	1,369,652,328.98	353	360	4.499
15	864,819,818.37	353	360	4.624
16	665,072,211.97	353	360	4.750
17	337,142,121.54	353	360	4.875
18	111,386,115.70	353	360	4.998
19	78,092,683.94	353	360	5.125
20	61,753,071.45	353	360	5.250
21	14,819,483.72	353	360	5.375
22	1,306,997.34	353	360	5.500
23	37,668.56	352	360	5.625
24	334,006.56	351	360	5.650

Declining Balances Tables
Percentages of Original Class Principal Balances Outstanding and Weighted Average Lives

Date	Class 2M-1							
	CPR Prepayment Assumption							
	<u>0%</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>
Closing Date	100	100	100	100	100	100	100	100
November 25, 2017	92	92	73	53	32	7	0	0
November 25, 2018	84	68	24	0	0	0	0	0
November 25, 2019	75	39	0	0	0	0	0	0
November 25, 2020	66	12	0	0	0	0	0	0
November 25, 2021	57	0	0	0	0	0	0	0
November 25, 2022	47	0	0	0	0	0	0	0
November 25, 2023	37	0	0	0	0	0	0	0
November 25, 2024	27	0	0	0	0	0	0	0
November 25, 2025	16	0	0	0	0	0	0	0
November 25, 2026	4	0	0	0	0	0	0	0
November 25, 2027	0	0	0	0	0	0	0	0
November 25, 2028	0	0	0	0	0	0	0	0
November 25, 2029	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	5.55	2.60	1.48	1.05	0.82	0.64	0.57	0.44
Weighted Average Life (years) to Early Redemption Date*	5.54	2.60	1.48	1.05	0.82	0.64	0.57	0.44

* The Early Redemption Date occurs on the first eligible Payment Date.



Class 2M-2
CPR Prepayment Assumption

Date	<u>0%</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>
Closing Date	100	100	100	100	100	100	100	100
November 25, 2017	100	100	100	100	100	100	96	83
November 25, 2018	100	100	100	94	79	63	51	36
November 25, 2019	100	100	92	71	52	34	20	5
November 25, 2020	100	100	75	51	30	12	0	0
November 25, 2021	100	94	60	34	13	0	0	0
November 25, 2022	100	84	47	20	0	0	0	0
November 25, 2023	100	74	36	8	0	0	0	0
November 25, 2024	100	65	25	0	0	0	0	0
November 25, 2025	100	56	16	0	0	0	0	0
November 25, 2026	100	48	8	0	0	0	0	0
November 25, 2027	97	40	1	0	0	0	0	0
November 25, 2028	91	32	0	0	0	0	0	0
November 25, 2029	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	12.35	9.43	6.11	4.29	3.26	2.57	2.15	1.76
Weighted Average Life (years) to Early Redemption Date*	9.96	8.47	6.07	4.29	3.26	2.57	2.15	1.76

* The Early Redemption Date occurs on the first eligible Payment Date.



Class 2B
CPR Prepayment Assumption

Date	<u>0%</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>
Closing Date	100	100	100	100	100	100	100	100
November 25, 2017	100	100	100	100	100	100	100	100
November 25, 2018	100	100	100	100	100	100	100	100
November 25, 2019	100	100	100	100	100	100	100	100
November 25, 2020	100	100	100	100	100	100	97	71
November 25, 2021	100	100	100	100	100	92	66	45
November 25, 2022	100	100	100	100	100	67	45	29
November 25, 2023	100	100	100	100	78	49	31	18
November 25, 2024	100	100	100	97	60	36	21	11
November 25, 2025	100	100	100	80	47	26	14	7
November 25, 2026	100	100	100	66	36	19	10	5
November 25, 2027	100	100	100	54	28	14	7	3
November 25, 2028	100	100	88	44	22	10	4	2
November 25, 2029	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	12.46	12.46	12.34	10.91	9.18	7.64	6.44	5.41
Weighted Average Life (years) to Early Redemption Date*	9.96	9.96	9.96	9.59	8.24	6.58	5.42	4.51

* The Early Redemption Date occurs on the first eligible Payment Date.



Credit Event Sensitivity Table

Cumulative Credit Events (as % of the Cut-Off Date Balance)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.10%	1.08%	0.82%	0.63%	0.49%	0.39%	0.32%	0.27%	0.22%
0.20%	2.15%	1.62%	1.25%	0.98%	0.78%	0.64%	0.53%	0.45%
0.30%	3.21%	2.42%	1.86%	1.46%	1.17%	0.96%	0.80%	0.67%
0.40%	4.26%	3.21%	2.47%	1.94%	1.56%	1.27%	1.06%	0.89%
0.50%	5.30%	4.00%	3.08%	2.42%	1.94%	1.59%	1.32%	1.12%
0.75%	7.84%	5.93%	4.57%	3.60%	2.89%	2.37%	1.97%	1.67%
1.00%	10.31%	7.81%	6.03%	4.75%	3.82%	3.13%	2.62%	2.21%

Cumulative Note Write-down Amount Tables

Class 2M-1 Cumulative Write-down Amount (as % of Class 2M-1 Original Class Principal Balance)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.40%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Class 2M-2 Cumulative Write-down Amount (as % of Class 2M-2 Original Class Principal Balance)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.40%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.75%	8.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.00%	26.05%	8.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



Class 2B Cumulative Write-down Amount (as % of Class 2B Original Class Principal Balance)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.10%	16.24%	12.23%	9.39%	7.36%	5.89%	4.81%	4.00%	3.37%
0.20%	32.30%	24.33%	18.70%	14.67%	11.75%	9.59%	7.98%	6.73%
0.30%	48.19%	36.33%	27.93%	21.92%	17.57%	14.36%	11.94%	10.08%
0.40%	63.90%	48.21%	37.09%	29.13%	23.35%	19.09%	15.89%	13.42%
0.50%	79.45%	59.97%	46.17%	36.28%	29.10%	23.81%	19.82%	16.75%
0.75%	100.00%	88.90%	68.54%	53.94%	43.33%	35.49%	29.57%	25.01%
1.00%	100.00%	100.00%	90.46%	71.30%	57.35%	47.02%	39.23%	33.21%

Classes Yield Tables

Class 2M-1 Pre-Tax Yield to Maturity (Price = 100%)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%
0.10%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%
0.20%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%
0.30%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%
0.40%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%
0.50%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%
0.75%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%
1.00%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%

Class 2M-2 Pre-Tax Yield to Maturity (Price = 100%)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%
0.10%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%
0.20%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%
0.30%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%
0.40%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%
0.50%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%
0.75%	4.35%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%
1.00%	2.92%	4.33%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%



Class 2B Pre-Tax Yield to Maturity (Price = 100%)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	9.99%	9.99%	9.99%	9.99%	9.99%	9.99%	9.99%	9.99%
0.10%	8.51%	8.82%	9.05%	9.17%	9.22%	9.25%	9.27%	9.28%
0.20%	6.80%	7.54%	8.05%	8.32%	8.44%	8.51%	8.55%	8.58%
0.30%	4.78%	6.10%	6.95%	7.43%	7.64%	7.75%	7.82%	7.86%
0.40%	2.26%	4.44%	5.76%	6.50%	6.82%	6.98%	7.08%	7.14%
0.50%	(1.21)%	2.49%	4.43%	5.52%	5.97%	6.20%	6.33%	6.42%
0.75%	(17.56)%	(5.52)%	0.17%	2.72%	3.72%	4.16%	4.41%	4.56%
1.00%	(31.22)%	(22.64)%	(7.56)%	(1.12)%	1.16%	1.99%	2.41%	2.66%

Weighted Average Life Tables

Class 2M-1 Weighted Average Life to Maturity (in Years)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	5.55	2.60	1.48	1.05	0.82	0.64	0.57	0.44
0.10%	5.62	2.69	1.55	1.05	0.82	0.64	0.57	0.44
0.20%	5.69	2.81	1.58	1.07	0.82	0.64	0.57	0.44
0.30%	5.76	2.93	1.61	1.10	0.82	0.64	0.57	0.44
0.40%	5.84	3.06	1.65	1.11	0.82	0.64	0.57	0.44
0.50%	5.93	3.22	1.70	1.13	0.84	0.66	0.57	0.44
0.75%	6.17	3.65	1.81	1.19	0.87	0.69	0.57	0.46
1.00%	6.46	4.24	1.95	1.24	0.90	0.70	0.57	0.47

Class 2M-2 Weighted Average Life to Maturity (in Years)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	12.35	9.43	6.11	4.29	3.26	2.57	2.15	1.76
0.10%	12.37	9.70	6.37	4.40	3.30	2.60	2.16	1.77
0.20%	12.39	9.97	6.63	4.53	3.37	2.66	2.18	1.80
0.30%	12.41	10.24	6.90	4.66	3.45	2.71	2.20	1.83
0.40%	12.43	10.50	7.16	4.80	3.53	2.75	2.23	1.86
0.50%	12.44	10.75	7.43	4.95	3.61	2.80	2.26	1.88
0.75%	12.37	11.34	8.08	5.39	3.83	2.93	2.34	1.94
1.00%	11.79	11.73	8.71	5.95	4.10	3.08	2.43	1.99



Class 2B Weighted Average Life to Maturity (in Years)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	12.46	12.46	12.34	10.91	9.18	7.64	6.44	5.41
0.10%	11.40	11.58	11.69	10.57	8.96	7.52	6.31	5.36
0.20%	10.34	10.71	10.99	10.20	8.75	7.37	6.22	5.30
0.30%	9.29	9.84	10.27	9.82	8.53	7.23	6.13	5.22
0.40%	8.25	8.97	9.54	9.42	8.29	7.08	6.03	5.15
0.50%	7.21	8.11	8.82	9.00	8.06	6.93	5.93	5.09
0.75%	4.85	5.99	7.03	7.81	7.41	6.54	5.67	4.90
1.00%	3.56	4.15	5.27	6.37	6.67	6.11	5.39	4.71



Reference Pool Summary

Statistics for the Reference Obligations listed below are based on statistical Cut-off Date information as of September 30, 2016.

Collateral Summary				
	<u>Aggregate</u>	<u>Weighted Average</u>	<u>Minimum</u>	<u>Maximum</u>
Number of Reference Obligations	96,747	-	-	-
Aggregate Original Principal Balance	\$22,835,915,000	\$236,037 ⁽¹⁾	\$16,000	\$721,000
Aggregate Scheduled Principal Balance	\$22,515,197,663	\$232,722 ⁽¹⁾	\$6,128	\$714,536
Gross Mortgage Rate	-	4.132%	2.875%	5.650%
Remaining Term to Stated Maturity	-	353 Months	297 Months	356 Months
Original Term	-	360 Months	305 Months	360 Months
Loan Age	-	6 Months	4 Months	11 Months
Original Loan-to-Value Ratio	-	92.05%	81.00%	97.00%
Original Combined Loan-to-Value Ratio	-	92.07%	81.00%	97.00%
Debt-to-Income Ratio	-	34.86%	0.36%	50.00%
Credit Score	-	744	620	832
% Refinance	16.17%			
% Owner Occupied	96.40%			
% SFR/PUD	89.99%			
Top Five Geographic Concentration of Mortgage Loans				
CA	11.82%			
TX	8.63%			
FL	6.55%			
WA	4.11%			
CO	3.49%			

(1) Average



<i>Product Type of the Mortgage Loans</i>							
Product Type	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Fixed Rate	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

<i>Unpaid Principal Balances as of the Origination Date</i>							
Range of Unpaid Principal Balance (\$)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.01 - 25,000.00	13	278,298	*	4.412	716	93.18	93.18
25,000.01 - 50,000.00	553	23,272,195	0.10	4.334	732	92.84	92.88
50,000.01 - 75,000.00	2,334	149,218,692	0.66	4.296	733	92.85	92.90
75,000.01 - 100,000.00	4,162	362,876,390	1.61	4.234	736	92.84	92.89
100,000.01 - 125,000.00	6,852	772,308,332	3.43	4.191	739	92.69	92.74
125,000.01 - 150,000.00	8,636	1,179,228,568	5.24	4.174	741	92.60	92.64
150,000.01 - 200,000.00	18,146	3,135,193,272	13.92	4.144	743	92.58	92.60
200,000.01 - 250,000.00	16,742	3,709,005,661	16.47	4.120	745	92.38	92.39
250,000.01 - 300,000.00	13,814	3,737,194,169	16.60	4.114	745	92.19	92.21
300,000.01 - 350,000.00	10,449	3,338,692,331	14.83	4.103	744	92.09	92.11
350,000.01 - 400,000.00	8,084	2,979,036,897	13.23	4.108	743	91.88	91.90
400,000.01 - 450,000.00	4,480	1,836,765,982	8.16	4.125	742	91.02	91.05
450,000.01 - 500,000.00	952	446,493,322	1.98	4.191	755	90.22	90.26
500,000.01 - 550,000.00	715	368,358,417	1.64	4.193	755	89.94	89.94
550,000.01 - 600,000.00	489	276,898,856	1.23	4.205	754	89.97	89.99
600,000.01 - 650,000.00	314	192,053,345	0.85	4.205	750	88.94	88.95
650,000.01 - 700,000.00	5	3,361,089	0.01	4.332	747	89.62	89.62
700,000.01 - 750,000.00	7	4,961,848	0.02	4.321	755	90.01	90.01
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Average (\$)	236,037.45						

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding

*Unpaid Principal Balances as of the Cut-off Date*

Range of Unpaid Principal Balance (\$)	Number of Mortgage Loans	Unpaid Principal Balance (\$) ⁽¹⁾	Unpaid Principal Balance (%) ⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.01 - 25,000.00	36	629,426	*	4.221	759	93.09	93.09
25,000.01 - 50,000.00	594	24,942,212	0.11	4.328	734	92.79	92.82
50,000.01 - 75,000.00	2,465	158,546,671	0.70	4.289	735	92.84	92.89
75,000.01 - 100,000.00	4,251	373,726,665	1.66	4.231	736	92.85	92.89
100,000.01 - 125,000.00	7,089	805,214,116	3.58	4.188	740	92.66	92.71
125,000.01 - 150,000.00	8,731	1,203,669,418	5.35	4.171	741	92.61	92.65
150,000.01 - 200,000.00	18,346	3,198,976,429	14.21	4.142	743	92.56	92.58
200,000.01 - 250,000.00	17,008	3,815,194,813	16.94	4.120	745	92.38	92.39
250,000.01 - 300,000.00	13,551	3,714,930,187	16.50	4.113	745	92.17	92.19
300,000.01 - 350,000.00	10,415	3,370,616,382	14.97	4.106	743	92.10	92.12
350,000.01 - 400,000.00	7,809	2,916,531,047	12.95	4.107	743	91.86	91.88
400,000.01 - 450,000.00	4,072	1,683,324,458	7.48	4.130	742	90.90	90.94
450,000.01 - 500,000.00	939	445,138,390	1.98	4.189	755	90.25	90.28
500,000.01 - 550,000.00	691	361,057,330	1.60	4.193	755	89.82	89.83
550,000.01 - 600,000.00	478	274,560,569	1.22	4.214	753	89.93	89.95
600,000.01 - 650,000.00	261	160,463,414	0.71	4.197	750	88.91	88.92
650,000.01 - 700,000.00	4	2,714,287	0.01	4.414	750	89.53	89.53
700,000.01 - 750,000.00	7	4,961,848	0.02	4.321	755	90.01	90.01
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Average (\$)	232,722.44						

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding

*Gross Mortgage Rates of the Mortgage Loans as of the Cut-off Date*

Range of Gross Mortgage Rates (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$) ⁽¹⁾	Unpaid Principal Balance (%) ⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
2.751 - 3.000	6	971,822	*	2.971	735	95.51	95.51
3.001 - 3.250	90	18,529,585	0.08	3.224	753	92.67	92.99
3.251 - 3.500	1,232	305,438,808	1.36	3.479	762	91.49	91.49
3.501 - 3.750	11,550	2,797,930,754	12.43	3.712	761	91.62	91.62
3.751 - 4.000	29,631	7,039,857,746	31.27	3.942	756	91.85	91.86
4.001 - 4.250	28,690	6,695,952,202	29.74	4.184	744	92.01	92.03
4.251 - 4.500	15,416	3,521,752,568	15.64	4.423	726	92.36	92.39
4.501 - 4.750	7,099	1,529,892,030	6.79	4.679	710	92.77	92.83
4.751 - 5.000	2,165	448,528,237	1.99	4.905	702	93.03	93.09
5.001 - 5.250	770	139,845,755	0.62	5.180	703	94.11	94.13
5.251 - 5.500	96	16,126,481	0.07	5.385	697	93.92	93.92
5.501 - 5.750	2	371,675	*	5.647	680	90.51	90.51
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Weighted Average (%)	4.132						

*Indicates a number that is greater than 0.000% but less than 0.005%.

Seasoning of the Mortgage Loans as of the Cut-off Date

Seasoning (months)	Number of Mortgage Loans	Unpaid Principal Balance (\$) ⁽¹⁾	Unpaid Principal Balance (%) ⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
4	6,209	1,433,515,249	6.37	3.981	745	92.27	92.28
5	23,362	5,549,549,441	24.65	3.998	745	91.88	91.90
6	20,824	4,855,798,266	21.57	4.161	743	92.09	92.11
7	18,630	4,265,839,352	18.95	4.254	743	92.11	92.13
8	20,137	4,673,432,634	20.76	4.195	744	92.07	92.09
9	6,468	1,478,382,043	6.57	4.117	745	92.04	92.07
10	803	180,673,033	0.80	4.206	743	92.34	92.43
11	314	78,007,645	0.35	4.244	753	91.88	91.94
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Weighted Average (months)	6.48						

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



<i>Original Loan-to-Value Ratio of the Mortgage Loans at Origination</i>							
Range of Original LTV (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
80.01 - 85.00	10,112	2,516,386,179	11.18	4.100	747	84.25	84.36
85.01 - 90.00	28,410	7,025,168,451	31.20	4.103	747	89.48	89.51
90.01 - 95.00	50,984	11,644,693,097	51.72	4.138	742	94.71	94.72
95.01 - 97.00	7,241	1,328,949,936	5.90	4.287	735	96.99	96.99
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Weighted Average (%)	92.05						

<i>Combined Loan-to-Value Ratio of the Mortgage Loans at Origination</i>							
Range of Combined LTV (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
80.01 - 85.00	9,960	2,481,941,836	11.02	4.097	747	84.26	84.26
85.01 - 90.00	28,318	7,010,449,240	31.14	4.103	747	89.47	89.49
90.01 - 95.00	51,135	11,678,244,628	51.87	4.139	742	94.68	94.71
95.01 - 97.00	7,334	1,344,561,959	5.97	4.288	735	96.92	96.99
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Weighted Average (%)	92.07						

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



<i>Credit Scores of the Mortgage Loans at Origination</i>							
Credit Scores at Origination	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
620	45	10,739,056	0.05	4.528	620	92.33	92.33
621 - 640	1,195	261,508,741	1.16	4.569	632	92.37	92.38
641 - 660	2,659	570,962,725	2.54	4.495	651	92.28	92.30
661 - 680	4,621	996,032,313	4.42	4.392	671	92.52	92.54
681 - 700	9,038	2,048,586,913	9.10	4.284	691	92.27	92.30
701 - 720	11,162	2,566,280,803	11.40	4.216	711	92.17	92.19
721 - 740	13,978	3,250,170,733	14.44	4.126	730	92.30	92.33
741 - 760	15,604	3,677,599,595	16.33	4.073	751	92.14	92.16
761 - 780	16,884	4,062,264,909	18.04	4.041	771	91.95	91.97
781 - 800	15,026	3,613,956,266	16.05	4.029	790	91.64	91.66
801 - 820	6,490	1,447,847,368	6.43	4.036	807	91.52	91.53
821 - 840	45	9,248,240	0.04	4.072	824	90.69	90.69
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Weighted Average	744						

<i>Debt-to-Income Ratio of the Mortgage Loans at Origination</i>							
Range of Debt-to-Income Ratios (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.001 - 20.000	4,226	821,346,032	3.65	4.041	760	91.22	91.24
20.001 - 25.000	8,479	1,838,338,855	8.16	4.061	756	91.49	91.50
25.001 - 30.000	14,356	3,252,092,889	14.44	4.088	751	91.83	91.85
30.001 - 35.000	18,668	4,350,068,364	19.32	4.112	746	92.03	92.05
35.001 - 40.000	22,270	5,274,099,593	23.42	4.144	741	92.18	92.21
40.001 - 45.000	28,212	6,840,874,450	30.38	4.184	736	92.31	92.33
45.001 - 50.000	536	138,377,481	0.61	4.159	751	91.94	91.95
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Weighted Average (%)	34.86						

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



<i>Occupancy Status of the Mortgage Loans as of the Cut-off Date</i>							
Occupancy Status	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Owner-Occupied	92,391	21,704,067,977	96.40	4.129	743	92.15	92.17
Second Home	4,005	762,699,727	3.39	4.153	754	89.49	89.49
Investment Property	351	48,429,959	0.22	4.821	757	84.96	84.96
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

<i>Loan Purpose of the Mortgage Loans</i>							
Loan Purpose	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Purchase	82,430	18,873,842,606	83.83	4.128	743	92.77	92.79
No Cash-Out Refinance	14,317	3,641,355,057	16.17	4.151	747	88.27	88.35
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

<i>Property Type of the Mortgage Loans as of the Cut-off Date</i>							
Property Type	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1-4 Family Dwelling Unit	55,966	12,403,316,578	55.09	4.120	744	92.07	92.10
PUD	30,118	7,859,145,842	34.91	4.120	743	92.04	92.05
Condo	9,738	2,122,907,233	9.43	4.234	748	91.96	91.98
Manufactured Housing	731	95,018,063	0.42	4.371	737	92.20	92.23
Co-op	194	34,809,947	0.15	4.148	748	89.49	89.49
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



<i>Geographic Concentration of the Mortgage Loans</i>							
State or Territory	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
California	7,903	2,661,314,093	11.82	4.227	743	90.97	91.01
Texas	8,552	1,941,967,594	8.63	4.105	736	92.50	92.50
Florida	6,728	1,474,505,395	6.55	4.194	737	92.46	92.47
Washington	3,384	926,238,622	4.11	4.122	747	91.97	91.99
Colorado	2,895	785,335,157	3.49	4.175	746	91.86	91.87
Georgia	3,479	780,472,578	3.47	4.091	745	92.32	92.33
Arizona	3,421	768,236,041	3.41	4.248	739	92.26	92.28
North Carolina	3,300	738,460,351	3.28	4.093	747	92.15	92.18
Virginia	2,551	736,543,601	3.27	4.143	754	91.54	91.56
Illinois	3,626	727,481,737	3.23	4.111	743	92.12	92.17
Pennsylvania	2,985	628,817,589	2.79	4.094	749	92.31	92.32
Michigan	3,518	619,219,711	2.75	4.156	741	92.35	92.36
Maryland	2,009	597,892,531	2.66	4.156	753	91.69	91.74
Massachusetts	2,092	573,510,738	2.55	4.161	743	91.82	91.84
New York	2,232	558,639,789	2.48	4.097	745	91.39	91.41
New Jersey	1,959	536,487,085	2.38	4.120	745	91.31	91.32
Utah	2,128	528,859,217	2.35	4.058	751	92.06	92.08
Minnesota	2,470	522,818,234	2.32	4.039	749	92.53	92.58
Ohio	2,945	509,548,695	2.26	4.129	743	92.66	92.68
Wisconsin	2,512	452,399,396	2.01	3.987	747	92.07	92.09
Tennessee	2,021	436,202,270	1.94	4.098	746	92.27	92.28
Oregon	1,711	435,124,141	1.93	4.147	746	92.02	92.03
South Carolina	1,991	410,909,501	1.83	4.109	745	92.40	92.41
Missouri	1,934	365,434,685	1.62	4.066	746	92.11	92.17
Indiana	2,100	363,391,546	1.61	4.103	743	92.74	92.76
Nevada	1,426	342,688,197	1.52	4.298	733	92.33	92.35
Louisiana	1,274	276,396,432	1.23	4.117	738	92.47	92.48
Alabama	1,319	269,117,171	1.20	4.120	746	92.55	92.57
Connecticut	973	232,566,987	1.03	4.019	746	92.13	92.15
Idaho	1,104	214,160,626	0.95	3.998	739	93.17	93.18
Oklahoma	1,097	210,274,991	0.93	4.063	742	92.56	92.57
Iowa	1,034	172,492,409	0.77	3.973	745	92.56	92.58
Kentucky	885	162,538,765	0.72	4.160	747	92.13	92.23
Nebraska	848	157,439,584	0.70	3.970	745	92.59	92.61
Kansas	842	156,102,391	0.69	4.030	748	92.31	92.31
New Mexico	638	129,438,337	0.57	4.152	742	92.74	92.77
Arkansas	702	129,300,523	0.57	4.036	747	92.63	92.64
New Hampshire	488	114,674,174	0.51	4.109	743	91.97	91.97
Mississippi	570	110,500,009	0.49	4.050	742	92.04	92.04
District of Columbia	238	91,335,972	0.41	4.155	766	91.07	91.12
Montana	419	90,883,121	0.40	4.052	742	91.81	91.82
Hawaii	206	85,293,323	0.38	4.190	745	92.14	92.14
Delaware	331	79,515,983	0.35	4.139	750	91.74	91.74
South Dakota	383	72,164,817	0.32	3.983	750	92.68	92.71
Rhode Island	250	60,258,170	0.27	4.088	749	92.33	92.35
Maine	271	57,869,557	0.26	4.145	744	92.20	92.22
Wyoming	213	49,992,120	0.22	4.034	743	92.33	92.37
Alaska	176	49,729,082	0.22	4.086	744	92.28	92.29
North Dakota	196	42,172,830	0.19	4.039	743	92.31	92.31
West Virginia	180	35,401,784	0.16	4.129	741	92.34	92.34
Vermont	131	25,764,410	0.11	4.070	741	92.15	92.19
Puerto Rico	106	17,013,712	0.08	3.983	756	93.12	93.12
Guam	1	301,890	*	4.000	769	90.00	90.00
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



<i>Geographic Concentration of the Mortgage Loans (Top 10 Metropolitan Statistical Areas ("MSA"))*</i>							
Top 10 MSAs	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Non-Metro	8,315	1,439,710,831	6.39	4.097	741	92.16	92.18
New York-Newark-Jersey City, NY-NJ-PA	2,655	801,896,321	3.56	4.110	744	90.97	90.98
Washington-Arlington-Alexandria, DC-VA-MD-WV	2,265	785,806,180	3.49	4.156	756	91.30	91.33
Los Angeles-Long Beach-Anaheim, CA	1,939	764,709,992	3.40	4.243	748	90.35	90.39
Dallas-Fort Worth-Arlington, TX	2,910	696,681,504	3.09	4.108	737	92.38	92.39
Chicago-Naperville-Elgin, IL-IN-WI	2,906	634,361,568	2.82	4.137	744	92.05	92.10
Phoenix-Mesa-Scottsdale, AZ	2,695	629,852,806	2.80	4.258	738	92.31	92.34
Atlanta-Sandy Springs-Roswell, GA	2,589	612,285,357	2.72	4.090	745	92.27	92.27
Seattle-Tacoma-Bellevue, WA	1,856	570,130,666	2.53	4.120	748	91.65	91.68
Houston-The Woodlands-Sugar Land, TX	2,177	504,497,601	2.24	4.119	734	92.59	92.60
Other	66,440	15,075,264,837	66.96	4.127	744	92.18	92.20
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

*Definitions of Metropolitan Statistical Areas (MSA) are updated periodically by the United States Office of Management and Budget. Fannie Mae seeks to update its loan level disclosure from time to time to reflect corresponding changes.

<i>Geographic Concentration of the Mortgage Loans (Top 10 Zip Codes)</i>							
Top 10 Zip Codes	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
30040	110	31,182,736	0.14	4.074	744	91.73	91.73
98012	81	30,680,759	0.14	4.046	755	90.42	90.42
84096	98	29,403,863	0.13	4.053	755	91.95	91.95
75070	94	26,544,540	0.12	3.994	744	92.19	92.19
92336	73	26,304,031	0.12	4.299	724	91.49	91.49
85383	85	25,303,734	0.11	4.189	731	92.05	92.05
80134	73	23,763,998	0.11	4.198	745	91.14	91.14
85142	89	23,641,653	0.11	4.275	726	92.94	92.94
20148	55	22,569,976	0.10	4.169	750	90.27	90.27
84043	80	22,441,282	0.10	4.039	754	91.66	91.66
Other	95,909	22,253,361,090	98.84	4.132	744	92.05	92.07
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



<i>Original Term to Maturity of the Mortgage Loans</i>							
Original Term to Maturity (months)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
300 - 319	27	6,481,821	0.03	4.078	763	87.89	87.89
320 - 339	193	48,088,510	0.21	4.080	766	87.50	87.50
340 - 359	161	41,057,890	0.18	4.122	750	88.90	88.90
360 or greater	96,366	22,419,569,442	99.58	4.132	744	92.06	92.09
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Weighted Average (months)	360						

<i>Remaining Term to Maturity of the Mortgage Loans as of the Cut-off Date</i>							
Remaining Term to Maturity (months)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
291 - 300	1	142,933	*	3.875	757	94.00	94.00
301 or greater	96,746	22,515,054,730	100.00	4.132	744	92.05	92.07
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Weighted Average (months)	353						

*Indicates a number that is greater than 0.000% but less than 0.005%.

<i>Seller of the Mortgage Loans</i>							
Seller	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Wells Fargo Bank, N.A.	14,364	3,447,390,330	15.31	4.161	745	92.18	92.19
Quicken Loans Inc.	5,413	1,301,743,908	5.78	4.232	746	90.33	90.37
Franklin American Mortgage Company	3,071	725,707,093	3.22	4.092	748	92.20	92.21
United Shore Financial Services, LLC	1,808	445,240,181	1.98	4.228	749	92.01	92.04
Flagstar Bank, FSB	1,749	438,719,372	1.95	4.154	740	91.84	91.86
Suntrust Mortgage Inc.	1,532	408,775,240	1.82	4.025	751	91.39	91.40
Movement Mortgage, LLC	1,662	382,256,075	1.70	4.134	744	92.38	92.39
JPMorgan Chase Bank, N.A.	1,324	367,708,134	1.63	4.060	758	91.29	91.30
Stearns Lending, LLC	1,337	338,200,918	1.50	4.155	740	92.14	92.17
Primelending, A Plains Capital Company	1,330	291,587,873	1.30	4.176	745	92.36	92.36
Other	63,157	14,367,868,538	63.81	4.117	743	92.19	92.21
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



<i>Servicers of the Mortgage Loans</i>							
Servicer	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Wells Fargo Bank, N.A.	14,364	3,447,390,330	15.31	4.161	745	92.18	92.19
Quicken Loans Inc.	5,404	1,299,405,232	5.77	4.232	746	90.33	90.37
Pingora Loan Servicing, LLC	4,541	1,175,542,907	5.22	4.088	749	91.75	91.76
Matrix Financial Services Corporation	2,969	708,268,267	3.15	4.104	747	92.10	92.11
Lakeview Loan Servicing, LLC	2,551	685,675,139	3.05	4.298	733	91.96	91.98
Roundpoint Mortgage Servicing Corporation	2,251	602,367,789	2.68	4.184	739	92.30	92.32
Franklin American Mortgage Company	2,510	570,937,865	2.54	4.049	753	92.22	92.22
Central Mortgage Company	1,823	462,658,168	2.05	4.100	737	91.95	91.97
United Shore Financial Services, LLC	1,808	445,240,181	1.98	4.228	749	92.01	92.04
Flagstar Bank, FSB	1,749	438,719,372	1.95	4.154	740	91.84	91.86
Other	56,777	12,678,992,411	56.31	4.108	743	92.21	92.23
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

<i>Origination Channel of the Mortgage Loans</i>							
Origination Channel	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Retail	59,180	13,610,837,822	60.45	4.113	744	91.98	91.99
Correspondent	28,699	6,591,487,290	29.28	4.153	743	92.32	92.35
Broker	8,868	2,312,872,551	10.27	4.181	743	91.68	91.69
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

<i>Mortgage Loans with Subordinate Financing at Origination</i>							
Mortgage Loans with Subordinate Financing at Origination	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	96,352	22,430,539,979	99.62	4.131	744	92.06	92.06
Yes	395	84,657,684	0.38	4.310	743	87.20	93.01
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



<i>First Payment Date of the Mortgage Loans</i>							
First Payment Date	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
November 2015	314	78,007,645	0.35	4.244	753	91.88	91.94
December 2015	803	180,673,033	0.80	4.206	743	92.34	92.43
January 2016	6,468	1,478,382,043	6.57	4.117	745	92.04	92.07
February 2016	20,137	4,673,432,634	20.76	4.195	744	92.07	92.09
March 2016	18,630	4,265,839,352	18.95	4.254	743	92.11	92.13
April 2016	20,824	4,855,798,266	21.57	4.161	743	92.09	92.11
May 2016	23,362	5,549,549,441	24.65	3.998	745	91.88	91.90
June 2016	6,209	1,433,515,249	6.37	3.981	745	92.27	92.28
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

<i>Maturity Date of the Mortgage Loans</i>							
Maturity Date (year)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
2041	1	142,933	*	3.875	757	94.00	94.00
2042	27	6,418,538	0.03	4.084	762	87.83	87.83
2043	116	28,448,303	0.13	3.994	768	87.39	87.39
2044	100	25,362,378	0.11	4.212	763	87.57	87.57
2045	7,692	1,764,739,226	7.84	4.131	745	92.02	92.06
2046	88,811	20,690,086,285	91.89	4.132	744	92.06	92.08
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

*Indicates a number that is greater than 0.000% but less than 0.005%.

<i>First Time Homebuyer</i>							
First Time Homebuyer	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	53,265	13,010,132,615	57.78	4.122	746	91.13	91.15
Yes	43,482	9,505,065,048	42.22	4.145	740	93.30	93.32
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

⁽¹⁾ Amounts may not add up to the totals shown due to rounding

**Number of Borrowers**

Number of Borrowers	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1	52,339	11,232,324,156	49.89	4.141	748	92.16	92.18
2 or more	44,408	11,282,873,507	50.11	4.123	740	91.94	91.96
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

Number of Units

Number of Units	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1	96,502	22,454,564,616	99.73	4.131	744	92.06	92.08
2	237	58,085,040	0.26	4.249	748	86.17	86.22
3	7	2,243,011	0.01	4.417	754	94.74	94.74
4	1	304,996	*	4.500	747	93.00	93.00
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

*Indicates a number that is greater than 0.000% but less than 0.005%.

Mortgage Insurance Coverage

Mortgage Insurance Coverage	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
6	94	17,613,204	0.08	4.168	726	84.11	86.30
12	10,530	2,611,554,491	11.60	4.098	746	84.43	84.54
16	907	173,342,207	0.77	4.436	727	94.76	94.85
17	1	108,029	*	4.250	798	95.00	95.00
18	1,715	311,539,336	1.38	4.369	734	96.95	96.95
20	5	799,146	*	4.135	700	89.89	89.89
22	1	175,454	*	4.000	727	94.00	94.00
25	30,321	7,377,571,028	32.77	4.104	747	89.83	89.85
26	2	441,211	*	4.375	781	95.00	95.00
27	1	150,590	*	4.250	779	97.00	97.00
30	49,000	11,233,276,440	49.89	4.135	743	94.76	94.76
35	4,170	788,626,527	3.50	4.294	734	96.99	96.99
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



<i>Mortgage Insurance Cancellation Indicator</i>							
Mortgage Insurance Cancellation Indicator	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	95,747	22,304,172,383	99.06	4.133	744	92.05	92.08
Yes	1,000	211,025,280	0.94	3.992	754	91.35	91.36
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

<i>Mortgage Insurance (Lender - or Borrower-Paid)</i>							
Mortgage Insurance (Lender - or Borrower-Paid)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Borrower-Paid	77,352	17,283,500,588	76.76	4.077	741	92.19	92.22
Lender-Paid	19,395	5,231,697,075	23.24	4.312	752	91.56	91.58
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

<i>Delinquency Status of the Mortgage Loans as of the Cut-off Date</i>							
Delinquency Status	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Current	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

<i>Historical Delinquency of the Mortgage Loans Since Acquisition*</i>							
Delinquency Status Since Acquisition*	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Never Delinquent	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07
Total:	96,747	22,515,197,663	100.00	4.132	744	92.05	92.07

* Mortgage Loans Acquired by Fannie Mae during the period from January 1, 2016 through April 30, 2016.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding



Contact Information

Barclays Capital Inc.

RMBS Banking Team

Joseph O'Doherty	(212) 528-7482	joseph.o'doherty@barclays.com
Anthony Beshara	(212) 526-7454	anthony.beshara@barclays.com
Courtney Henry	(212) 528-7370	courtney.henry@barclays.com
Siddharth Kaundinya	(212) 526-8177	siddharth.kaundinya@barclays.com
Tommy Wilson	(212) 526-2547	tommy.wilson@barclays.com
Kenneth Thomas	(212) 526-7484	kenneth.thomas @barclays.com

Structuring Team

Ravi Suresh	(212) 528-7144	ravi.suresh@barclays.com
-------------	----------------	--------------------------

Distribution & Trading Team

Chris Haid	(212) 412-6935	christopher.haid@barclays.com
Oren Benzaquen	(212) 412-6935	oren.benzaquen@barclays.com

Syndicate Team

Brian J. Wiele	(212) 412-5780	brian.wiele@barclays.com
Kenny Rosenberg	(212) 412-5780	kenneth.rosenberg@barclays.com
Mark Lacerenza	(212) 412-5780	mark.lacerenza@barclays.com
Sean Foley	(212) 412-5780	sean.foley@barclays.com



Citigroup

Residential Finance

Susan Mills	(212) 723-6376	susan.mills@citi.com
Cheryl Glory	(212) 723-6809	cheryl.l.glory@citi.com
Peter Steinmetz	(212) 723-6391	peter.steinmetz@citi.com
Thomas Rollauer	(212) 723-6586	thomas.rollauer@citi.com
Timothy Mercurio	(212) 723-6375	timothy.mecurio@citi.com
Travis Reichling	(212) 723-4666	travis.reichling@citi.com

Trading

Phil Seares	(212) 723-1145	philip.seares@citi.com
Ted Counihan	(212) 723-6325	ted.counihan@citi.com
Scott Schundler	(212) 723-1145	scott.schundler@citi.com

Structuring / Analytics

Shekhar Shah	(212) 723-5386	shekhar.shah@citi.com
Hasan Rizvi	(212) 723-4016	hasan.rizvi@citi.com