



Fannie Mae
Issuer

Connecticut Avenue Securities, Series 2016-C03

\$1,165,708,000

Confidential Preliminary Term Sheet

REVISED

April 11, 2016

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



Structuring Lead and Joint Bookrunner



Co-Lead Manager and Joint Bookrunner

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**CLASS 1M-1, CLASS 1M-2, CLASS 1B,
CLASS 2M-1, CLASS 2M-2 AND CLASS 2B NOTES***
\$1,165,708,000 (Approximate)**

Class	Group	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								
1A-H ⁽⁴⁾	1	Reference Tranche Only	\$11,387,071,699	4.00%							Senior
1M-1* ⁽⁵⁾	1	\$157,758,000		2.60%	1mL + ___%	BBB-(sf)/BBB(sf)	2.61	1 – 53	Actual/360	October 2028	Mezzanine
1M-1H ⁽⁴⁾	1	Reference Tranche Only	\$8,303,462	2.60%							Mezzanine
1M-2A ⁽⁵⁾⁽⁷⁾	1	\$56,342,000		2.10%	1mL + ___%	BB+(sf)/BBB(sf)	5.25	53 – 73	Actual/360	October 2028	Mezzanine
1M-AH ⁽⁴⁾	1	Reference Tranche Only	\$2,965,665	2.10%							Mezzanine
1M-2B ⁽⁵⁾⁽⁷⁾	1	\$123,953,000		1.00%	1mL + ___%	B+(sf)/BB(sf)	8.36	73 – 120	Actual/360	October 2028	Mezzanine
1M-BH ⁽⁴⁾	1	Reference Tranche Only	\$6,523,863	1.00%							Mezzanine
1M-2* ⁽⁷⁾	1	\$180,295,000		1.00%	1mL + ___%	B+(sf)/BB(sf)	7.39	53 – 120	Actual/360	October 2028	RCR
1M-2F ⁽⁷⁾	1	\$56,342,000		2.10%	1mL + ___%	BB+(sf)/BBB(sf)	5.25	53 – 73	Actual/360	October 2028	RCR
1M-2I ⁽⁷⁾	1	\$56,342,000 ⁽⁸⁾		N/A	___%	BB+(sf)/BBB(sf)	N/A	N/A	Actual/360	October 2028	RCR
1B* ⁽⁵⁾	1	\$59,000,000		0.00%	1mL + ___%	N/A	10.01	120 – 120	Actual/360	October 2028	Subordinate
1B-H ⁽⁴⁾	1	Reference Tranche Only	\$59,615,331	0.00%							Subordinate
2A-H ⁽⁴⁾	2	Reference Tranche Only	\$24,375,769,743	4.00%							Senior
2M-1* ⁽⁵⁾	2	\$241,218,000		3.00%	1mL + ___%	BBB-(sf)/BBB(sf)	2.10	1 – 40	Actual/360	October 2028	Mezzanine
2M-1H ⁽⁴⁾	2	Reference Tranche Only	\$12,696,268	3.00%							Mezzanine
2M-2A ⁽⁵⁾⁽⁷⁾	2	\$156,792,000		2.35%	1mL + ___%	BB+(sf)/BBB-(sf)	4.25	40 – 63	Actual/360	October 2028	Mezzanine
2M-AH ⁽⁴⁾	2	Reference Tranche Only	\$8,252,274	2.35%							Mezzanine
2M-2B ⁽⁵⁾⁽⁷⁾	2	\$325,645,000		1.00%	1mL + ___%	B(sf)/B+(sf)	7.85	63 – 120	Actual/360	October 2028	Mezzanine
2M-BH ⁽⁴⁾	2	Reference Tranche Only	\$17,139,262	1.00%							Mezzanine
2M-2* ⁽⁷⁾	2	\$482,437,000		1.00%	1mL + ___%	B(sf)/B+(sf)	6.68	40 – 120	Actual/360	October 2028	RCR
2M-2F ⁽⁷⁾	2	\$156,792,000		2.35%	1mL + ___%	BB+(sf)/BBB-(sf)	4.25	40 – 63	Actual/360	October 2028	RCR
2M-2I ⁽⁷⁾	2	\$156,792,000 ⁽⁸⁾		N/A	___%	BB+(sf)/BBB-(sf)	N/A	N/A	Actual/360	October 2028	RCR
2B* ⁽⁵⁾	2	\$45,000,000		0.00%	1mL + ___%	N/A	10.01	120 – 120	Actual/360	October 2028	Subordinate
2B-H ⁽⁴⁾	2	Reference Tranche Only	\$208,914,269	0.00%	1mL + ___% ⁽⁹⁾						Subordinate
Total:		\$1,165,708,000**	\$36,087,251,836								

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

** Including only Offered Notes.

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.

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- (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 1M-1 Notes, Class 1M-2A Notes, Class 1M-2B Notes, Class 1M-2 Notes, Class 1M-2F Notes, Class 1M-2I Notes, Class 1B Notes, Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes, Class 2M-2 Notes, Class 2M-2F Notes, Class 2M-2I 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 May 2016, and the Early Redemption Option is exercised on the Payment Date in April 2026.
- (2) Each Class of Offered Notes will be sold at a price of par.
- (3) The Class Principal Balance of any outstanding Group 1 Notes will be paid in full on the earlier to occur of the Group 1 Early Redemption Date, if any, and the Maturity Date. Similarly, the Class Principal Balance of any outstanding Group 2 Notes will be paid in full on the earlier to occur of the Group 2 Early Redemption Date, if any, and the Maturity Date. In addition, on the Recovery Election Date, if any, for a Group of Notes, Holders of Written-down Notes may elect either (x) to receive their proportionate shares of the related Projected Recovery Amount on such Recovery Election Date or (y) to receive their proportionate shares of the Liquidation Recovery Amount on the applicable Liquidation Date.
- (4) The Class 1A-H Reference Tranche, Class 1M-1H Reference Tranche, Class 1M-AH Reference Tranche, Class 1M-BH Reference Tranche, Class 1B-H Reference Tranche, 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 principal payments required to be made by Fannie Mae and reductions and increases in the principal amounts of the Notes.
- (5) The Class 1M-1 Notes, Class 1M-2A Notes, Class 1M-2B Notes, Class 1B Notes, 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 principal payments required to be made by Fannie Mae and reductions and increases in the principal amounts of the Notes.
- (6) The Class 1A-H Notes will have an initial subordination percentage of 4.00%, with a required subordination percentage of 4.50%. The Class 2A-H Notes will have an initial subordination percentage of 4.00%, with a required subordination percentage of 4.50%.
- (7) The Holders of the Class 1M-2 Notes can exchange all or part of that Class for proportionate interests in the Class 1M-2A and Class 1M-2B Notes (together, the "Group 1 Exchangeable Notes"), and vice versa. Additionally, the Holders of the Class 1M-2A Notes can exchange all or part of that Class for proportionate interests in the Class 1M-2I and Class 1M-2F Notes, and vice versa. The Class 1M-2, Class 1M-2F and Class 1M-2I Notes are referred to as the "Group 1 RCR Notes." 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 "Group 2 Exchangeable Notes" and, together with the Group 1 Exchangeable Notes, the "Exchangeable Notes"), and vice versa.

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Additionally, the Holders of the Class 2M-2A Notes can exchange all or part of that Class for proportionate interests in the Class 2M-2I and Class 2M-2F Notes, and vice versa. The Class 2M-2, Class 2M-2F and Class 2M-2I Notes are referred to as the "Group 2 RCR Notes" and, together with the Group 1 RCR Notes, the "RCR Notes." Of the Exchangeable Notes and the RCR Notes, only the Class 1M-2 and Class 2M-2 Notes are Offered Notes. Other Exchangeable Notes and RCR Notes may be obtained by Holders of Class 1M-2 and Class 2M-2 Notes through the applicable recombinations set forth on Schedule I hereto at any time.

- (8) Notional Amount. These Classes of RCR Notes are not entitled to principal payments. The Class 1M-2I Notes have a "Class Notional Amount" as of any Payment Date equal to the outstanding Class Principal Balance of the Class 1M-2A Notes. 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.

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 1M-2I and Class 2M-2I Notes, will be 12.5-year, uncapped LIBOR-based floaters.

On the Recovery Election Date, if any, for a Group, the Class Principal Balances of all outstanding Notes in that Group will be paid in full. If there are unrecovered losses on any Notes as of the related Recovery Election Date, holders of those Notes will be entitled to certain projected recovery payments on that date or, alternatively, certain liquidation payments 30 months following such date, subject to the conditions described in "*RECOVERY ELECTION DATES*."

The Reference Obligations will be divided into two "Loan Groups". The Class 1M-1 Notes, Class 1M-2A Notes, Class 1M-2B Notes and Class 1B Notes (collectively with the Group 1 RCR Notes, the "Group 1 Classes" or "Group 1 Notes") relate to the Reference Obligations in "Loan Group 1". The Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes and Class 2B Notes (collectively with the Group 2 RCR Notes, the "Group 2 Classes" or "Group 2 Notes") relate to the Reference Obligations in "Loan Group 2". The "Offered Notes" consist of the Class 1M-1, Class 1M-2, Class 1B, 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 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 in the related Loan Group. 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. All cash flow calculations performed with respect to Loan Group 1 will affect the Group 1 Classes only, and all cash flow calculations performed with respect to Loan Group 2 will affect the Group 2 Classes only.

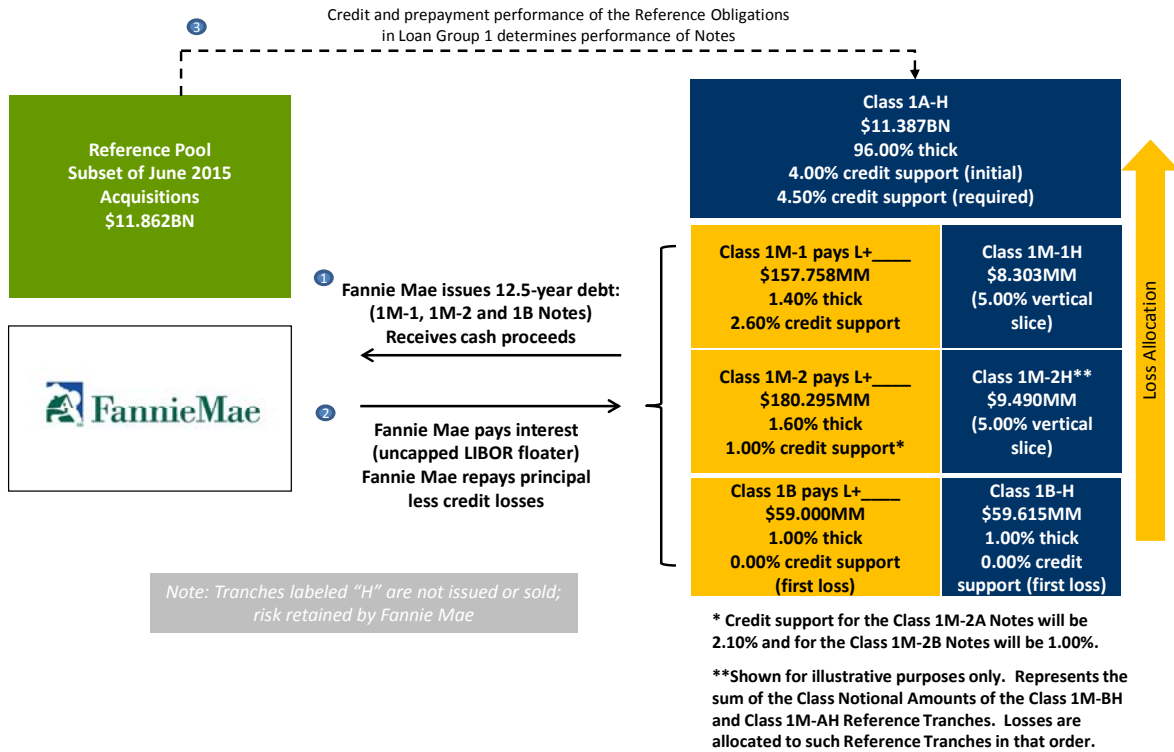
Although the Notes will be unsecured general obligations of Fannie Mae, and Fannie Mae alone will make all of the principal and interest payments on the Notes, the transaction has been structured so that the capital structure and cash flow allocations relative to principal payments of the Notes are reflective of private label senior/subordinate residential mortgage backed securities ("RMBS"). 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



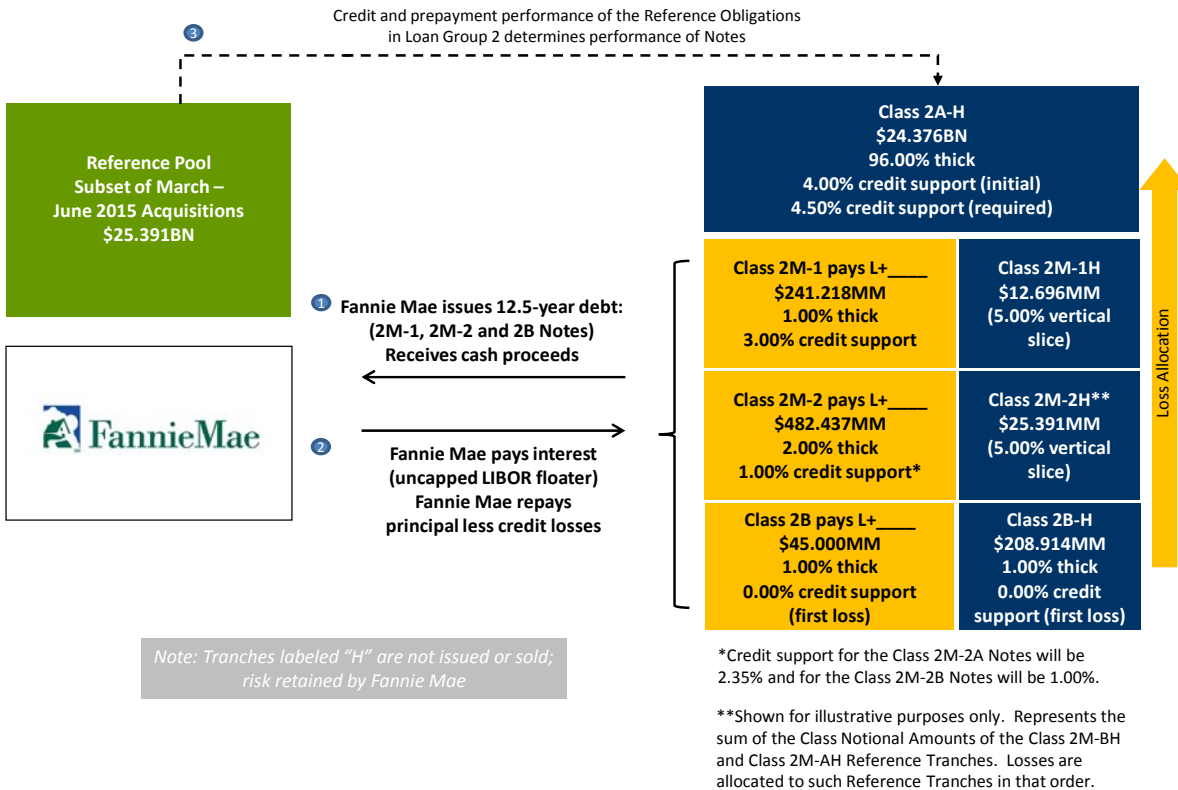
the Notes will be based in part on the principal that is actually collected on the Reference Obligations in the related Loan Group, rather than on the entire amount of scheduled payments due on those Reference Obligations as further described herein.

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

Group 1



Group 2



GENERAL INFORMATION

Issuer	Fannie Mae
Title of Series	Connecticut Avenue Securities ("CAS"), Series 2016-C03
Offered Notes	Class 1M-1, Class 1M-2, Class 1B, 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 Credit Suisse Securities (USA) LLC ("Credit Suisse") (Co-Lead Manager)
Co-Managers	Merrill Lynch, Pierce, Fenner & Smith Incorporated ("BofA Merrill"), BNP Paribas Securities Corp. ("BNP"), Citigroup Global Markets Inc. ("Citigroup") and J.P. Morgan Securities LLC ("JP Morgan")
Selling Group Members	CastleOak Securities, L.P. and The Williams Capital Group, L.P.
Cut-off Date	For this term sheet and for the prospectus, February 29, 2016
Closing Date	On or about April 21, 2016
Payment Date	The 25 th day of each calendar month (or, if not a business day, the following business day), commencing in May 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

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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 (i) the Class 1M-2A Notes and/or Class 1M-2B Notes or (ii) the Class 2M-2A Notes and/or Class 2M-2B Notes, as applicable. **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.**

Group 1 Notes

The Class 1M-1 Notes, Class 1M-2 Notes (together with the Class 1M-2A, Class 1M-2F, Class 1M-2I and Class 1M-2B Notes described in the following paragraph) and Class 1B Notes. The Group 1 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 1M-2A and Class 1M-2B Notes are the "Group 1 Exchangeable Notes." The Class 1M-2, Class 1M-2F and Class 1M-2I Notes are the Related Combinable and Recombinable Notes, or "Group 1 RCR Notes," to which the Group 1 Exchangeable Notes relate.

Group 2 Notes

The Class 2M-1 Notes, Class 2M-2 Notes (together with the Class 2M-2A, Class 2M-2F, Class 2M-2I and Class 2M-2B Notes described in the following paragraph) and Class 2B Notes. The Group 2 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 "Group 2 Exchangeable Notes." The Class 2M-2, Class 2M-2F and Class 2M-2I Notes are the Related Combinable and Recombinable Notes, or "Group 2 RCR Notes," to which the Group 1

Exchangeable Notes relate.

RCR Notes

The Group 1 RCR Notes and the Group 2 RCR Notes. At any time, Holders of Class 1M-2 or 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 1M-2A or Class 2M-2A Notes may further exchange all or part of those Notes for proportionate interest 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

Group 1

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

Group 2

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 "Group 2 Reference Tranches"), which are described solely for the purpose of calculating principal payments required to be made on the Group 2 Classes by Fannie Mae, any reductions or increases of principal on the Group 2 Classes as a result of Credit Events on the Reference Obligations in Loan Group 2 and any reductions in the interest or principal entitlements of the Group 2 Classes as a result of Modification Events on the Reference Obligations in Loan Group 2. 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 Tranches

Group 1

The Class 1A-H Reference Tranche (the "Group 1 Senior Reference Tranche").

Group 2

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

Mezzanine Reference Tranches

Group 1

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

Group 2

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 "Group 2 Mezzanine Reference

Tranches").

**Subordinate Reference
Tranches**

Group 1

The Group 1 Mezzanine Reference Tranches, the Class 1B Reference Tranche and the Class 1B-H Reference Tranche (collectively, the "Group 1 Subordinate Reference Tranches").

Group 2

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

**Class Notional Amount of
Reference Tranches**

Group 1

As of any Payment Date and with respect to each Group 1 Reference Tranche, a notional amount equal to the initial Class Notional Amount of such Group 1 Reference Tranche, minus the aggregate amount of Group 1 Senior Reduction Amounts or Group 1 Subordinate Reduction Amounts allocated to such Group 1 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 Group 1 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 Group 1 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.

Group 2

As of any Payment Date and with respect to each Group 2 Reference Tranche, a notional amount equal to the initial Class Notional Amount of such Group 2 Reference Tranche, minus the aggregate amount of Group 2 Senior Reduction Amounts or Group 2 Subordinate Reduction Amounts allocated to such Group 2 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 Group 2 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 Group 2 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 1M-1 Notes, Class 1M-2A Notes, Class 1M-2B Notes, Class 1M-2 Notes, Class 1M-2F Notes, Class 1M-2I Notes, Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes and Class 2M-2 Notes, Class 2M-2F Notes and Class 2M-2I Notes on the Closing Date. No rating agency has been engaged to rate the Class 1B Notes or 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 October 2028, 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 Group 1 Notes or the Group 2 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 Group 1 Notes or Group 2 Notes, as applicable, 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

Group 1

The Issuer may redeem the Class 1M-1 Notes, Class 1M-2A Notes, Class 1M-2B Notes and Class 1B 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 in Loan Group 1 is less than or equal to 10% of the

Loan Group 1 Cut-off Date Balance or (ii) the Payment Date occurring in April 2026, by paying an amount equal to the outstanding Class Principal Balance of the Class 1M-1 Notes, Class 1M-2A Notes, Class 1M-2B Notes and Class 1B Notes, plus accrued and unpaid interest and related unpaid fees and expenses of the Global Agent. If on the Group 1 Early Redemption Date a Class of Group 1 RCR Notes is outstanding, all principal amounts that are payable by Fannie Mae on the Group 1 Exchangeable Notes that were exchanged for such Group 1 RCR Notes will be allocated to and payable on the applicable Group 1 RCR Notes entitled to receive principal. In addition, Holders of the Group 1 Notes may be entitled to receive their proportionate shares of the Group 1 Projected Recovery Amount, if any, on that date as described under "*THE NOTES — Principal Payment.*"

Group 2

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 in Loan Group 2 is less than or equal to 10% of the Loan Group 2 Cut-off Date Balance or (ii) the Payment Date occurring in April 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 Group 2 Early Redemption Date a Class of Group 2 RCR Notes is outstanding, all principal amounts that are payable by Fannie Mae on the Group 2 Exchangeable Notes that were exchanged for such Group 2 RCR Notes will be allocated to and payable on the applicable Group 2 RCR Notes entitled to receive principal. In addition, Holders of the Group 2 Notes may be entitled to receive their proportionate shares of the Group 2 Projected Recovery Amount, if any, on that date as described under "*THE NOTES — Principal Payment.*"

Group 1 Early Redemption Date

The Payment Date, if any, on which the Group 1 Notes are redeemed by the Issuer pursuant to the Early Redemption Option for the Group 1 Notes.

Group 2 Early Redemption Date

The Payment Date, if any, on which the Group 2 Notes are redeemed by the Issuer pursuant to the Early Redemption Option for the Group 2 Notes.

Group 1 Termination Date The Group 1 Notes will no longer be outstanding upon the date which is the earliest of:

- (1) the Maturity Date;
- (2) the Group 1 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 Group 1 Classes on such Payment Date and all prior Payment Dates) and accrued and unpaid interest due on the Class 1M-1, Class 1M-2A, Class 1M-2B and Class 1B Notes plus related unpaid fees and expenses of the Global Agent have otherwise been paid in full.

In addition, in the event the requisite Holders of a Class of Group 1 Notes elect to receive their proportionate shares of the Group 1 Liquidation Recovery Amount, if applicable, such amount will be paid on the Group 1 Liquidation Date.

Group 2 Termination Date The Group 2 Notes will no longer be outstanding upon the date which is the earliest of:

- (1) the Maturity Date;
- (2) the Group 2 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 Group 2 Classes 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.

In addition, in the event the requisite Holders of a Class of Group 2 Notes elect to receive their proportionate shares of the Group 2 Liquidation Recovery Amount, if applicable, such amount will be paid on the Group 2 Liquidation Date.

Transaction Termination Date The transaction will terminate on the date which is the later of the Group 1 Termination Date and the Group 2 Termination Date.

**Expected Credit
Enhancement**

Group 1

Notes/Tranches	Tranche Size	Initial Credit Enhancement
Class 1A-H	96.00%	4.00% ⁽¹⁾
Class 1M-1 and Class 1M-1H	1.40%	2.60%
Class 1M-2 ⁽²⁾ and Class 1M-2H ⁽³⁾	1.60%	1.00%
Class 1B and Class 1B-H	1.00%	0.00%

- ⁽¹⁾ Required credit enhancement for the Class 1A-H Notes will be 4.50%.
⁽²⁾ Initial credit enhancement for the Class 1M-2A Notes will be 2.10% and for the Class 1M-2B Notes will be 1.00%.
⁽³⁾ Shown for illustrative purposes only. Represents the sum of the Class 1M-AH and Class 1M-BH Reference Tranches.

The Group 1 Subordinate Reference Tranches are subordinate to, and provide credit enhancement for, the Group 1 Senior Reference Tranche and for each Class of more senior Group 1 Subordinate Reference Tranches.

Group 2

Notes/Tranches	Tranche Size	Initial Credit Enhancement
Class 2A-H	96.00%	4.00% ⁽¹⁾
Class 2M-1 and Class 2M-1H	1.00%	3.00%
Class 2M-2 ⁽²⁾ and Class 2M-2H ⁽³⁾	2.00%	1.00%
Class 2B and Class 2B-H	1.00%	0.00%

- ⁽¹⁾ Required credit enhancement for the Class 2A-H Notes will be 4.50%.
⁽²⁾ Initial credit enhancement for the Class 2M-2A Notes will be 2.35% 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 Group 2 Subordinate Reference Tranches are subordinate to, and provide credit enhancement for, the Group 2 Senior Reference Tranche and for each Class of more senior Group 2 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 Group 1 Reference Tranches and Group 2 Reference Tranches. Moreover, Fannie Mae will retain at least 50% of the underlying credit risk corresponding to each of (i) the Class 1B Reference Tranche and the Class 1B-H Reference Tranche and (ii) 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 and Loan Group, the sum of all monthly scheduled payments of principal on the Reference Obligations in that Loan Group 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 and Loan Group:

- (a) all partial principal prepayments on the related Reference Obligations in the related Loan Group collected during the related Reporting Period, *plus*
- (b) the aggregate unpaid principal balance of all related 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 in the related Loan Group as the result of loan modification or data corrections, *plus*
- (d) all scheduled principal collections, if any, for any Reference Obligations in the related Loan Group that have been removed from the related MBS, *minus*

- (e) increases in the unpaid principal balances of all Reference Obligations in the related Loan Group as the result of loan modifications, reinstatements due to error, or data corrections.

In the event (e) above exceeds the sum of (a) through (d), the Unscheduled Principal for such Payment Date with respect to the related Loan Group will be zero, and the Class 1A-H Notional Amount or the Class 2A-H Notional Amount, as applicable, will be increased by the amount of such excess. In the event that Fannie Mae ever employs a policy that permits or requires principal forgiveness as a loss mitigation alternative, any principal that is forgiven with respect to a Reference Obligation will decrease the unpaid principal balance of such Reference Obligation pursuant to clause (c) above.

Recovery Principal

With respect to each Payment Date and a Loan Group, 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 for a Loan Group is not satisfied, the sum of:

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

As noted above, the Minimum Credit Enhancement Test will not be satisfied for either Loan Group 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 for a Loan Group are satisfied, the sum of:

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

- (c) 100% of the Recovery Principal for such Payment Date and Loan Group.

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

Subordinate Reduction Amount

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

Allocation of Senior Reduction Amount

Group 1

On each Payment Date prior to the Group 1 Termination Date, the Senior Reduction Amount with respect to Loan Group 1 will be allocated to the Group 1 Senior Reference Tranche until its Class Notional Amount is reduced to zero, and then to the Group 1 Subordinate Reference Tranches, in order of seniority per Allocation of Subordinate Reduction Amount for Group 1.

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

Group 2

On each Payment Date prior to the Group 2 Termination Date, the Senior Reduction Amount with respect to Loan Group 2 will be allocated to the Group 2 Senior Reference Tranche until its Class Notional Amount is reduced to zero, and then to the Group 2 Subordinate Reference Tranches, in order of seniority per Allocation of Subordinate Reduction Amount for Group 2.

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 with respect to Loan Group 2 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 Group 2 RCR Notes.

Allocation of Subordinate Reduction Amount*Group 1*

On each Payment Date prior to the Group 1 Termination Date, the Subordinate Reduction Amount with respect to Loan Group 1 will be allocated to the Group 1 Subordinate Reference Tranches:

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

Any Subordinate Reduction Amount with respect to Loan Group 1 remaining after the allocation in the immediately preceding sentence will be allocated to reduce the Class Notional Amount of the Class 1A-H Reference Tranche.

Because the Class 1M-1, Class 1M-2A, Class 1M-2B and Class 1B Notes correspond to the Class 1M-1, Class 1M-2A, Class 1M-2B and Class 1B Reference Tranches, respectively, any portion of the Subordinate Reduction Amount with respect to Loan Group 1 that is allocated to the Class 1M-1, Class 1M-2A, Class 1M-2B or

Class 1B Reference Tranche will result in a corresponding reduction in the Class Principal Balance of the Class 1M-1, Class 1M-2A, Class 1M-2B or Class 1B Notes, as applicable.

If any Group 1 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 Group 1 Exchangeable Notes will be allocated to reduce the Class Principal Balance or Class Notional Amount, as applicable, of the related Group 1 RCR Notes.

Group 2

On each Payment Date prior to the Group 2 Termination Date, the Subordinate Reduction Amount with respect to Loan Group 2 will be allocated to the Group 2 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 with respect to Loan Group 2 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 with respect to Loan Group 2 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 Group 2 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 Group 2 Exchangeable Notes will be allocated to reduce the Class Principal Balance or Class Notional Amount, as applicable, of the related Group 2 RCR Notes.

Loss Allocation Framework

General

Upon the occurrence of Modification Events affecting the Reference Obligations in Group 1 and to the extent that losses are realized with respect thereto, the interest entitlements of the Group 1 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—Group 1*" below. Similarly, upon the occurrence of Modification Events affecting the Reference Obligations in Group 2 and to the extent that losses are realized with respect thereto, the interest entitlements of the Group 2 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—Group 2*" below. Any such reductions or write-downs will be applied first to the most subordinate Class in the related Group of Notes with an outstanding Class Principal Balance.

Upon the occurrence of Credit Events affecting the Reference Obligations in Group 1 and to the extent that losses are realized with respect thereto, the Class Principal Balances of the Group 1 Notes will be subject to write-downs as further described under "*Allocation of Tranche Write-down Amounts—Group 1*" below. Similarly, upon the occurrence of Credit Events affecting the Reference Obligations in Group 2 and to the extent that losses are realized with respect thereto, the Class Principal Balances of the Group 2 Notes will be subject to write-downs as further described under "*Allocation of Tranche Write-down Amounts—Group 2*" below. Any such write-downs will be allocated first to the most subordinate Class in the related Group 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 Fannie Mae ever employs a policy that permits or requires principal forgiveness as a loss mitigation alternative, any

reduction in the principal balance of a Reference Obligation as the result of principal forgiveness will be treated as Unscheduled Principal. However, if the Reference Obligation subsequently becomes a Credit Event Reference Obligation, the related negative adjustment will 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

Group 1

On each Payment Date on or prior to the Group 1 Termination Date, the Preliminary Principal Loss Amount, Preliminary Tranche Write-down Amount, Preliminary Tranche Write-up Amount and Preliminary Class Notional Amount for Group 1 will be computed prior to the Allocation of the Modification Loss Amount with respect to Loan Group 1.

On each Payment Date on or prior to the Group 1 Termination Date, the Modification Loss Amount, if any, for such Payment Date and Loan Group 1 will be allocated in the following order of priority:

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

second, to the Class 1B and Class 1B-H Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such

Payment Date, until the aggregate amount allocated to the Class 1B and Class 1B-H Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 1B and Class 1B-H Reference Tranches for such Payment Date;

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

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

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

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

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

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

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

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

If any Group 1 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 Group 1 Exchangeable Notes will be allocated to reduce the Interest Payment Amount of the applicable Group 1 RCR Notes in accordance with the exchange proportions applicable to the related Combination.

Group 2

On each Payment Date on or prior to the Group 2 Termination Date, the Preliminary Principal Loss Amount, Preliminary Tranche Write-down Amount, Preliminary Tranche Write-up Amount and Preliminary Class Notional Amount for Group 2 will be computed prior to the Allocation of the Modification Loss Amount with respect to Loan Group 2.

On each Payment Date on or prior to the Group 2 Termination Date, the Modification Loss Amount, if any, for such Payment Date and Loan Group 2 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 Group 2 Exchangeable Notes for Group 2 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 for Loan Group 2.

If any Group 2 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 Group 2 Exchangeable Notes will be allocated to reduce the Interest Payment Amount of the applicable Group 2 RCR Notes in accordance with the exchange proportions applicable to the related Combination.

Principal Loss Amount

With respect to any Payment Date and Loan Group, the sum of:

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

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

(c) subsequent losses on any Reference Obligation in such Loan Group 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) Modification Loss Amounts allocated to reduce the Notional Principal Amounts on the Reference Tranches relating to the Notes.

Principal Recovery Amount

With respect to any Payment Date and Loan Group, the sum of:

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

(b) subsequent recoveries on any Reference Obligation in such Loan Group 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 in such Loan Group for the related Reporting Period; and

(d) the applicable portion of any amounts received by Fannie Mae during the related Reporting Period on settlements relating to claims arising from breaches of origination representations and warranties that Fannie Mae enters into with a loan seller or servicer in lieu of requiring such loan seller or servicer to repurchase a specified pool of mortgage loans that includes one or more Reference Obligations.

Credit Event

With respect to any Payment Date on or before the related Group 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 seriously delinquent loan prior to foreclosure 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.

Notwithstanding the foregoing, Fannie Mae at its option may amend the transaction agreements to provide that either (x) the mortgage note sales referred to in clause (iv) above will thereafter be prohibited with respect to the Reference Obligations or (y) the mortgage note sales referred to in clause (iv) above will thereafter be treated as Reference Pool Removals rather than as Credit Events.

**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 and Loan Group, the excess, if any, of the Principal Loss Amount for such Payment Date and Loan Group over the Principal Recovery Amount for such Payment Date and Loan Group.

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

**Tranche
Write-up Amount**

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

**Allocation of Tranche
Write-down Amounts***Group 1*

On each Payment Date on or prior to the Group 1 Termination Date, after allocation of the Senior Reduction Amount and Subordinate Reduction Amount with respect to Loan Group 1, the Tranche Write-down Amount for the Group 1 Classes, 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 Group 1 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 1B and Class 1B-H Reference Tranches, pro rata, based on their Class Notional Amounts,
- (ii) *second*, to the Class 1M-2B and Class 1M-BH Reference Tranches, pro rata, based on their Class Notional Amounts,
- (iii) *third*, to the Class 1M-2A and Class 1M-AH Reference Tranches, pro rata, based on their Class Notional Amounts,
- (iv) *fourth*, to the Class 1M-1 and Class 1M-1H Reference Tranches, pro rata, based on their Class Notional Amounts, and
- (v) *fifth*, to the Class 1A-H Reference Tranche.

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

related Group 1 RCR Notes.

Group 2

On each Payment Date on or prior to the Group 2 Termination Date, after allocation of the Senior Reduction Amount and Subordinate Reduction Amount with respect to Loan Group 2, the Tranche Write-down Amount for the Group 2 Classes, 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 Group 2 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 Group 2 Exchangeable Notes for Group 2 RCR Notes for such Payment Date). If any Group 2 RCR Notes are held by Holders, any Tranche Write-down Amount that is allocable to the related Group 2 Exchangeable Notes will be allocated to reduce the Class Principal Balance or Class Notional Amount, as applicable, of the related Group 2 RCR Notes.

**Allocation of Tranche
Write-up Amounts**

Group 1

On each Payment Date on or prior to the Group 1 Termination Date, after allocation of the related Senior Reduction Amount and Subordinate Reduction Amount and Tranche Write-down Amounts, the related Tranche Write-up Amount, if any, for such Payment Date will be allocated to increase the Class Notional Amount of each Group 1 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 Group 1 Reference Tranche on or prior to such Payment Date:

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

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

Group 2

On each Payment Date on or prior to the Group 2 Termination Date, after allocation of the related Senior Reduction Amount and Subordinate Reduction Amount and Tranche Write-down Amounts, the related Tranche Write-up Amount, if any, for such Payment Date will be allocated to increase the Class Notional Amount of each Group 2 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 Group 2 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 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 Notes or Class 2B Notes, as applicable (without regard to any exchanges of Group 2 Exchangeable Notes for Group 2 RCR Notes for such Payment Date). If any Group 2 RCR Notes are held by Holders, any Tranche Write-up Amount that is allocable to the related Group 2 Exchangeable Notes will be allocated to increase the Class Principal Balance or Class Notional Amount, as applicable, of the related Group 2 RCR Notes.

To the extent that the Tranche Write-up Amount for a Loan Group on any Payment Date exceeds the Tranche Write-up Amount allocated to such Loan Group on such Payment Date, the excess (the "Write-up Excess") will be available as overcollateralization to offset any Tranche Write-down Amounts for such Loan Group 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" for a Loan Group equals (a) the aggregate amount of Write-up Excesses for such Loan Group for such Payment Date and all prior Payment Dates, minus (b) the aggregate amount of Overcollateralization Amounts used to offset Tranche Write-down Amounts for such Loan Group on all prior

Payment Dates.

Credit Event Reversals and Reference Pool Removals**Reversed Credit
Event Reference
Obligation**

With respect to any Payment Date and Loan Group, a Reference Obligation in the related Loan Group 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 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) payment in full of the Reference Obligation;
- (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) the discovery of any of certain specified violations of the Eligibility Criteria for such Reference Obligation as a result of data correction; or
- (6) the lender has declared bankruptcy 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 applicable criteria set forth in clauses (a), (e), (f), (g), (j), (k), (l) and (m) of the definition of Eligibility Criteria.

In addition, Fannie Mae at its option may amend the transaction agreements to provide, among other things, that the mortgage note sales referred to in clause (iv) under "*Loss Allocation Framework — Credit Event*" above will thereafter be treated as Reference Pool Removals rather than as Credit Events.

Rep and Warranty 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 Pool

All of the Reference Obligations included in Loan Group 1 and Loan Group 2.

**Reference
Obligations**

The Reference Pool represents the mortgage loans acquired by Fannie Mae (i) for Loan Group 1, in June 2015 and (ii) for Loan Group 2, between March 1, 2015 and June 30, 2015, in each case, 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) (i) with respect to Reference Obligations in Loan Group 1 only, was acquired by Fannie Mae in June 2015 and (ii) with respect to Reference Obligations in Loan Group 2 only, was acquired by Fannie Mae between March 1, 2015 and June 30, 2015;
- (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) with respect to Reference Obligations in Loan Group 1 only, has an original loan-to-value ratio that is (i) greater than 60% and (ii) less than or equal to 80%;
- (k) with respect to Reference Obligations in Loan Group 1 only, is not covered by mortgage or pool insurance;
- (l) with respect to Reference Obligations in Loan Group 2 only, has an original loan-to-value ratio that is (i) greater than 80% and (ii) less than or equal to 97%; and

- (m) with respect to Reference Obligations in Loan Group 2 only, (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 March 1, 2015 and June 30, 2015 (the "March - June 2015 Acquisitions") were divided into two segments on a random basis. The first and second segments included loans representing approximately 80.01% and 19.99%, respectively, of the March - June 2015 Acquisitions (measured by unpaid principal balance at the time of acquisition). The loans included in the first segment (representing approximately 80.01% of the March - June 2015 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 19.99% of the March - June 2015 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 in Loan Group 1 all Available Loans that met the applicable Eligibility Criteria described in (a) through (k) of the definition thereof and selected for inclusion in Loan Group 2 all Available Loans that met the applicable Eligibility Criteria described in (a) through (i), (l) and (m) of the definition thereof. The Reference Obligations in Loan Group 1 and Loan Group 2, collectively, constitute the Reference Pool.

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.



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<u>Category</u>	<u>Loan Count</u>	<u>Aggregate Original Loan Balance</u>
Initial Cohort Pool	167,689	\$39,931,440,000
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>7,798</u>	<u>\$1,976,606,000</u>
Reference Pool	159,891	\$37,954,834,000

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The table below summarizes the loans in the Initial Cohort Pool having original loan-to-value ratios greater than 60% and less than or equal to 80% and 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	72 ⁽²⁾	-	-	-	-	-	-	-	1,317	28	-	1,417
30	713	218	-	-	-	-	-	-	26	2	-	959
60	39	9	16	-	-	-	-	-	2	1	-	67
90	5	-	2	14	-	-	-	-	-	-	-	21
120	-	-	-	-	4	-	-	-	-	-	-	4
150	-	-	-	-	-	-	-	-	-	-	-	-
180	-	-	-	-	-	-	-	-	-	-	-	-
>180	-	-	-	-	-	-	-	-	-	-	-	-
Total	829	227	18	14	4	-	-	-	1,345	31	-	2,468

(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) Remain subject to Fannie Mae's post-purchase QC Process, as of March 28, 2016 and therefore excluded from eligibility.

The table below summarizes the loans in the Initial Cohort Pool having original loan-to-value ratios greater than 80% and less than or equal to 97% and 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	61 ⁽²⁾	-	-	-	-	-	-	-	2,768	49	-	2,878
30	1,608	523	-	-	-	-	-	-	68	5	-	2,204
60	87	26	60	-	-	-	-	-	7	-	-	180
90	12	4	7	20	-	-	-	-	1	-	-	44
120	1	-	-	-	19	-	-	-	-	-	-	20
150	-	-	-	-	-	2	-	-	-	-	-	2
180	-	-	-	-	-	-	1	-	-	-	-	1
>180	-	-	-	-	-	-	-	1	-	-	-	1
Total	1,769	553	67	20	19	2	1	1	2,844	54	-	5,330

(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) Remain subject to Fannie Mae's post-purchase QC Process, as of March 28, 2016 and therefore excluded from eligibility.

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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 91.7% of the Reference Obligations in Loan Group 1 and 93.3% of the Reference Obligations in Loan Group 2, 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 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 our 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

Our 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 our experience, indicate that the default is correlated with a potential loan seller breach requiring a repurchase.

Our QC policies and procedures generally are 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, we 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 less than 80% that Fannie Mae acquired in June 2015, Fannie Mae reviewed 4,047 mortgage loans out of the eligible production for June 2015, an approximate 7.74% sample, of which 3,713 are in the Reference Pool. Of the 4,047 mortgage loans, approximately 4.37% remain subject to Fannie Mae's post-purchase QC Process as of March 28, 2016.

In connection with Fannie Mae's post-purchase QC reviews for mortgage loans with LTVs greater than 80% that Fannie Mae acquired from March 1, 2015 to June 30, 2015, Fannie Mae reviewed 8,869 mortgage loans out of the eligible production for the period March 1, 2015 to June 30, 2015, an approximate 7.64% sample, of which 8,180 are in the Reference Pool. Of the 8,869 mortgage loans, approximately 2.64% remain subject to Fannie Mae's post-purchase QC Process as of March 28, 2016.

The following summary is preliminary based on the most current information available as of March 28, 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
Loan Group 1			
Randomly Selected	600	3	0.5%
Loan Group 2			
Randomly Selected	<u>1,266</u>	<u>1</u>	<u>0.1%</u>
Total Reference Pool Randomly Selected.....	1,866	4	0.2%
Loan Group 1			
Discretionary Selections	3,447	115	3.3%
Loan Group 2			
Discretionary Selections	<u>7,603</u>	<u>136</u>	<u>1.8%</u>
Total Reference Pool Discretionary Selections.....	<u>11,050</u>	<u>251</u>	<u>2.3%</u>
Total	12,916	255	2.0%

None of the loans determined by Fannie Mae to have Eligibility Defects as of March 28, 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 acquired 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 QC Process.

In its review of first quarter 2015 acquisitions, the Diligence Provider selected a Diligence Sample of 999 mortgage loan files from a broader population of 3,540 loans. 369 of the loans in the broader population met the Preliminary Eligibility Criteria. The related Diligence Sample included 103 Reference Obligations that were included in the final selection of Loan Group 2.

In its review of second quarter 2015 acquisitions, the Diligence Provider selected a Diligence Sample of 999 mortgage loan files from a broader population of 2,793 loans. 1,263 of the loans in the broader population met the Preliminary Eligibility Criteria. The related Diligence Sample included 230 Reference Obligations that were included in the final selection of Loan Group 1 and 275 Reference Obligations that were included in the final selection of Loan Group 2.

The "Preliminary 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 2015 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

Group 1

As of any Payment Date and for the Group 1 Classes (in each case without regard to any exchange of Group 1 Exchangeable Notes for Group 1 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 related 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 Group 1 Notes (other than Group 1 RCR Notes) will at all times equal the Class Notional Amount of the Group 1 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 Group 1 RCR Notes entitled to principal will be equal to the outstanding Class Principal Balance of the Group 1 Exchangeable Notes that were exchanged for such Group 1 RCR Notes.

Group 2

As of any Payment Date and for the Group 2 Classes (in each case without regard to any exchange of Group 2 Exchangeable Notes for Group 2 RCR Notes):

- (a) the maximum dollar amount of principal to which the Holders of each related Class of Notes then are entitled to, 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 related 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 related 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 Group 2 Notes (other than Group 2 RCR Notes) will at all times equal the Class Notional Amount of the Group 2 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 Group 2 RCR Notes entitled to principal will be equal to the outstanding Class Principal Balance of the Group 2 Exchangeable Notes that were exchanged for such Group 2 RCR Notes.

Interest Accrual Amount

With respect to each outstanding Class of Notes and any Payment Date is 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*Group 1*

Except as described below, on each Payment Date, Fannie Mae will pay principal to Holders of each outstanding Class of Group 1 Notes (without regard to any exchanges of Group 1 Exchangeable Notes for Group 1 RCR Notes) in an amount equal to the portion of the related Senior Reduction Amount or Subordinate Reduction Amount, as applicable, allocated to the corresponding Group 1 Reference Tranche on such Payment Date. No payments of principal will be made to the Group 1 Reference Tranches.

On the earlier to occur of (x) the Group 1 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 Group 1 Notes, after allocations of the related Tranche Write-Down Amount and the Tranche Write-up Amount for such Payment Date (without regard to any exchanges of Group 1 Exchangeable Notes for Group 1 RCR Notes).

In each case, principal amounts that are payable by Fannie Mae on the related Group 1 Exchangeable Notes will be allocated to and payable on any outstanding Group 1 RCR Notes that are entitled to principal.

In addition, on the Group 1 Recovery Election Date, if any, the Holders of Written-down Group 1 Notes may elect either (x) to receive their proportionate shares of the Group 1 Projected Recovery Amount on the Group 1 Recovery Election Date or (y) to receive their proportionate shares of the Group 1 Liquidation Recovery Amount on the Group 1 Liquidation Date. If a majority of Holders (excluding Fannie Mae) of a Class of Written-down Group 1 Notes elects to receive the Group 1 Projected Recovery Amount, all Holders of such Class will receive such amount. Otherwise, those Holders who so elect to receive the Group 1 Projected Recovery Amount will receive their proportionate shares of such amount on the Group 1 Recovery Election Date and each Holder not electing to receive the Group 1 Projected Recovery Amount (including any Holder who makes no election) will receive its proportionate share of the Group 1 Liquidation Recovery Amount on the Group 1 Liquidation Date. Holders of Group 1 RCR Notes (other than Class 1M-2I Notes) will be entitled to exercise all the election rights with respect to the Group 1 Projected Recovery Amount or Group 1 Liquidation Recovery Amount that are otherwise allocable to the related Group 1

Exchangeable Notes, as further described in the prospectus.

The Class 1M-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 1M-2A Notes.

Group 2

Except as described below, on each Payment Date, Fannie Mae will pay principal to Holders of each outstanding Class of Group 2 Notes (without regard to any exchanges of Group 2 Exchange Notes for Group 2 RCR Notes) in an amount equal to the portion of related Senior Reduction Amount or Subordinate Reduction Amount, as applicable, allocated to the corresponding Group 2 Reference Tranche on such Payment Date. No payments of principal will be made to the Group 2 Reference Tranches.

On the earlier to occur of (x) the Group 2 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 Group 2 Notes, after allocations of the related Tranche Write-Down Amount and the Tranche Write-up Amount for such Payment Date (without regard to any exchanges of Group 2 Exchangeable Notes for Group 2 RCR Notes).

In each case, principal amounts that are payable by Fannie Mae on the related Group 2 Exchangeable Notes will be allocated to and payable on any outstanding Group 2 RCR Notes that are entitled to principal.

In addition, on the Group 2 Recovery Election Date, if any, the Holders of Written-down Group 2 Notes may elect either (x) to receive their proportionate shares of the Group 2 Projected Recovery Amount on the Group 2 Recovery Election Date or (y) to receive their proportionate shares of the Group 2 Liquidation Recovery Amount on the Group 2 Liquidation Date. If a majority of Holders of a Class of Written-down Group 2 Notes elects to receive the Group 2 Projected Recovery Amount, all Holders (excluding Fannie Mae) of such Class will receive such amount. Otherwise, those Holders who so elect to receive the Group 2 Projected Recovery Amount will receive their proportionate shares of such amount on the Group 2 Recovery Election Date and each Holder not electing to receive the Group 2 Projected Recovery Amount (including any Holder who makes no election) will receive its proportionate share of the Group 2 Liquidation Recovery Amount on the Group 2 Liquidation Date. Holders of Group 2 RCR Notes (other than Class 2M-2I Notes) will be entitled to exercise all the election rights with respect to the Group

2 Projected Recovery Amount or Group 2 Liquidation Recovery Amount otherwise allocable to the related Group 2 Exchangeable Notes, as further described in the prospectus.

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.

Events of Default

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

- (a) any failure by Fannie Mae to pay principal or interest on a related 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 related 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 (i) Holders of Class 1M-2F Notes will be entitled to exercise 99% of the voting or direction rights that are otherwise allocated to the related Class 1M-2A Notes and Holders of Class 1M-2I Notes will be entitled to exercise 1% of the voting or direction rights that are otherwise allocated to the related Class 1M-2A Notes, and (ii) Holders of Class 2M-2F Notes will be entitled to exercise 99% of the voting or direction rights that are otherwise allocated to the related Class 2M-2A Notes and Holders of Class 2M-2F Notes will be entitled to exercise 1% of the voting or direction rights that are otherwise allocated to the related Class 2M-2A Notes, in each case as further described in the prospectus.

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 previously has 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 1M-1, Class 1M-2A, Class 1M-2B, 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 1B and 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 1B and 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 1B and Class 2B Notes is uncertain, the characterization of payments on the Class 1B and 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 1B or 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 1B or 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 1B and 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%.
- Irish Stock Exchange** Fannie Mae expects to list the Notes on the Irish Stock Exchange subsequent to the Closing Date.
- 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 May 2016:

March 1 through March 31	Reporting Period	The Master Servicer will report principal payments on the Reference Obligations in each Loan Group received during the related Reporting Period (March 1 through March 31) from borrowers including scheduled principal and full and partial principal prepayments.
March 31	Delinquency Determination Date	The Master Servicer will report the MBA delinquency status on the Reference Obligations in each Loan Group determined as of the Delinquency Determination Date (March 31).
May 11	Master Servicer Remittance Date	Master Servicer will provide remittance file in respect of the Reference Obligations in each Loan Group to the Global Agent on or prior to the 8th business day of each month.
May 24	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
May 25	Payment Date	On the 25th day of each month (or if the 25th day is not a business day, the next business day), the Issuer will make payments to Noteholders.

Succeeding months follow the same pattern.

RECOVERY ELECTION DATES*Group 1*

On the Group 1 Recovery Election Date, if any, the following will occur:

- the Class Principal Balance of each outstanding Class of Group 1 Notes (other than the Class 1M-2I Notes) will be paid in full;
- each Holder of a Written-down Group 1 Note (other than the Class 1M-2I Notes) may elect either (x) to receive its proportionate share of the Group 1 Projected Recovery Amount on the Group 1 Recovery Election Date or (y) to receive its proportionate share of the Group 1 Liquidation Recovery Amount on the Group 1 Liquidation Date. On the basis of this election:
 - if more than 50% of the Holders of any Class of Written-down Group 1 Notes (with the Class 1M-2A and Class 1M-2F Notes deemed a single Class for this purpose) elect to receive the Group 1 Projected Recovery Amount, then all Holders of the Notes of such Class will receive their proportionate shares of the Group 1 Projected Recovery Amount; and
 - if no more than 50% of the Holders of any Class of Written-down Group 1 Notes (with the Class 1M-2A and Class 1M-2F Notes deemed a single Class for this purpose) elect to receive the Group 1 Projected Recovery Amount, only the Holders electing to receive the Group 1 Projected Recovery Amount will receive their proportionate shares thereof on the Group 1 Recovery Election Date and all other Holders of that Class of Written-down Group 1 Notes (including any Holder that makes no election) will become entitled to receive their proportionate shares of the Group 1 Liquidation Recovery Amount on the Group 1 Liquidation Date.

Group 2

On the Group 2 Recovery Election Date, if any, the following will occur:

- the Class Principal Balance of each outstanding Class of Group 2 Notes (other than the Class 2M-2I Notes) will be paid in full;
- each Holder of a Written-down Group 2 Note (other than the Class 2M-2I Notes) may elect either (x) to receive its proportionate share of the Group 2 Projected Recovery Amount on the Group 2 Recovery Election Date or (y) to receive its proportionate share of the Group 2 Liquidation Recovery Amount on the Group 2 Liquidation Date. On the basis of this election:
 - if more than 50% of the Holders of any Class of Written-down Group 2 Notes (with the Class 2M-2A and Class 2M-2F Notes deemed a single Class for this purpose) elect to receive the Group 2 Projected Recovery Amount, then all Holders of the Notes of such Class will receive their proportionate shares of the Group 2 Projected Recovery Amount; and

- if no more than 50% the Holders of any Class of Written-down Group 2 Notes (with the Class 2M-2A and Class 2M-2F Notes deemed a single Class for this purpose) elect to receive the Group 2 Projected Recovery Amount, only the Holders electing to receive the Group 2 Projected Recovery Amount will receive their proportionate shares thereof on the Group 2 Recovery Election Date and all other Holders of that Class of Written-down Group 2 Notes (including any Holder that makes no election) will become entitled to receive their proportionate shares of the Group 2 Liquidation Recovery Amount on the Group 2 Liquidation Date.

Fannie Mae Excluded from Recovery Elections

Fannie Mae may from time to time acquire any of the Notes at any price in the open market or otherwise. In the event that any such Note held by Fannie Mae is a Written-down Note as of the related Recovery Election Date, Fannie Mae's election either (x) to receive its proportionate share of the related Projected Recovery Amount on such date or (y) to receive its proportionate share of the related Liquidation Recovery Amount on the related Liquidation Date will be disregarded for purposes of determining whether a majority of Holders of a Class of Written-down Notes has elected to receive the related Projected Recovery Amount.

Proportionate Shares of Projected Recovery Amount and Liquidation Recovery Amount

References in this term sheet to the Holders' "proportionate shares" of the related Projected Recovery Amount or the related Liquidation Recovery Amount, as applicable, are in each case references to a fraction, the numerator of which is the outstanding principal balance of the applicable Holder's Written-down Notes with respect to a given Class and the denominator of which is the aggregate outstanding principal balance of all Written-down Notes of that Class, in each case immediately prior to the related Recovery Election Date.

Election by Holders of RCR Notes

Holders of RCR Notes (other than Class 1M-2I and Class 2M-2I Notes) will be entitled to exercise all the election rights with respect to the related Projected Recovery Amount or Liquidation Recovery Amount that are otherwise allocable to the related Exchangeable Notes.

SCHEDULE I

**CONNECTICUT AVENUE SECURITIES, SERIES 2016-C03
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	1M-2A	56,342,000	31.2498960038%	1M-2	180,295,000	100%	1mL + ___%	B+(sf)/BB(sf)
	1M-2B	123,953,000	68.7501039962%					
2	1M-2A	56,342,000	100%	1M-2F	56,342,000	100%	1mL + ___%	BB+(sf)/BBB(sf)
				1M-2I	56,342,000 ⁽²⁾	⁽³⁾	___%	BB+(sf)/BBB(sf)
3	2M-2A	156,792,000	32.4999948180%	2M-2	482,437,000	100%	1mL + ___%	B(sf)/B+(sf)
	2M-2B	325,645,000	67.5000051820%					
4	2M-2A	156,792,000	100%	2M-2F	156,792,000	100%	1mL + ___%	BB+(sf)/BBB-(sf)
				2M-2I	156,792,000 ⁽²⁾	⁽³⁾	___%	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⁾ Class Notional Amount.

⁽³⁾ The Class Notional Amount of this RCR Note will equal the Class Principal Balance of the related Exchangeable Note.

GLOSSARY OF CERTAIN DEFINED TERMS

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

"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, for the related Loan Group.

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

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"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 and Loan Group, a test that will be satisfied if:

- (a) the sum of the Distressed Principal Balance for such Loan Group 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 in such Loan Group as of the preceding Payment Date over (ii) the Principal Loss Amount for such Loan Group for the current Payment Date.

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

"Group 1 Liquidation Date" means the 25th day (or next succeeding business day) of the month that immediately follows the end of the Group 1 Liquidation Period. The latest possible Group 1 Liquidation Date is May 25, 2031.

"Group 1 Liquidation Period" means the 30-month period immediately following the Group 1 Recovery Election Date.

"Group 1 Liquidation Recovery Amount" means the Liquidation Recovery Amount, if any, for the Group 1 Notes.

"Group 1 Projected Recovery Amount" means the Projected Recovery Amount, if any, for the Group 1 Notes.

"Group 1 Recovery Election Date" means the Group 1 Termination Date, if Written-down Group 1 Notes exist on such date.

"Group 1 Senior Percentage" means, with respect to each Payment Date and Group 1, the percentage equivalent of a fraction, the numerator of which is the Class Notional Amount of the Group 1 Senior Reference Tranche immediately prior to such Payment Date and the denominator of which is the aggregate unpaid principal balance of the Reference Obligations in Loan Group 1 at the end of the previous Reporting Period.

"Group 1 Subordinate Percentage" means, with respect to each Payment Date and the Group 1 Notes, 100% minus the Group 1 Senior Percentage for such Payment Date.

"Group 2 Liquidation Date" means the 25th day (or next succeeding business day) of the month that immediately follows the end of the Group 2 Liquidation Period. The latest possible Group 2 Liquidation Date is May 25, 2031.

"Group 2 Liquidation Period" means the 30-month period immediately following the Group 2 Recovery Election Date.

"Group 2 Liquidation Recovery Amount" means the Liquidation Recovery Amount, if any, for the Group 2 Notes.

"Group 2 Projected Recovery Amount" means the Projected Recovery Amount, if any, for the Group 2 Notes.

"Group 2 Recovery Election Date" means the Group 2 Termination Date, if Written-down Group 2 Notes exist on such date.

"Group 2 Senior Percentage" means, with respect to each Payment Date and Group 2, the percentage equivalent of a fraction, the numerator of which is the Class Notional Amount of the Group 2 Senior Reference Tranche immediately prior to such Payment Date and the denominator of which is the aggregate unpaid principal balance of the Reference Obligations in Loan Group 2 at the end of the previous Reporting Period.

"Group 2 Subordinate Percentage" means, with respect to each Payment Date and the Group 2 Notes, 100% minus the Group 2 Senior Percentage for such Payment Date.

"Group of Notes" or "Group" means the Group 1 Notes or the Group 2 Notes, as applicable.

"Liquidation Date" means the Group 1 Liquidation Date or the Group 2 Liquidation Date, as applicable.

"Liquidation Period" means the Group 1 Liquidation Period or the Group 2 Liquidation Period, as applicable.

"Liquidation Recovery Amount" means, with respect to a Group of Notes and the related Liquidation Date, the sum of:

- (a) the aggregate subsequent recoveries, net of expenses and credits, actually received on the related Liquidation Recovery Mortgage Loans during the related Liquidation Period; *plus*
- (b) the maximum contractual amount of future recoveries Fannie Mae has determined to pursue on the related Liquidation Recovery Mortgage Loans as of such date;

provided, that the "Liquidation Recovery Amount" will in no event be greater than the *excess*, as of the related Recovery Election Date, of (i) the Tranche Write-down Amounts, in the aggregate, allocated to the Notes of the related Holders, *over* (ii) any related Tranche Write-up Amounts, in the aggregate, allocated to such Notes.

"Liquidation Recovery Mortgage Loan" means a mortgage loan that is a former Reference Obligation that became a Credit Event Reference Obligation prior to the related Recovery Election Date, if any, and that was subject to a disposition prior to that Recovery Election Date.

"Minimum Credit Enhancement Test" means, with respect to any Payment Date and Loan Group, a test that will be satisfied if:

- (a) in the case of Loan Group 1, the Group 1 Subordinate Percentage (solely for purposes of such test, rounded to the sixth decimal place) is greater than or equal to 4.500000%, and
- (b) in the case of Loan Group 2, the Group 2 Subordinate Percentage (solely for purposes of such test, rounded to the sixth decimal place) is greater than or equal to 4.500000%.

"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 for the related Loan Group in accordance with the priorities set forth in the Allocation of Tranche Write-down Amount for the related Group of Notes and after the application of the Preliminary

Tranche Write-up Amount for such Loan Group in accordance with the priorities set forth in the Allocation of Tranche Write-up Amount for the related Group.

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

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

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

"Projected Recovery Amount" means, for either Group of Notes and the related Recovery Election Date, if any, the aggregate amount of subsequent net recoveries projected to be received on the related Loan Group, calculated based on a formula to be derived by Fannie Mae from the actual net recovery experience for that Loan Group during a specified period of time preceding such Recovery Election Date, *plus* any additional amount determined by Fannie Mae in its sole discretion to be appropriate for purposes of the projection in light of the then-current market conditions.

The prospectus will contain further information regarding the Projected Recovery Amount. Certain specific information regarding the Projected Recovery Amount will be made available by Fannie Mae in the months immediately preceding the related Recovery Election Date.

"Recovery Election Date" means the Group 1 Recovery Election Date or the Group 2 Recovery Election Date, as applicable.

"Written-down Group 1 Note" means a Group 1 Note of any Class with respect to which any related Tranche Write-down Amounts, in the aggregate, exceed any related Tranche Write-up Amounts, in the aggregate, in each case as of the Group 1 Recovery Election Date.

"Written-down Group 2 Note" means a Group 2 Note of any Class with respect to which any related Tranche Write-down Amounts, in the aggregate, exceed any related Tranche Write-up Amounts, in the aggregate, in each case as of the Group 2 Recovery Election Date.

"Written-down Note" means a Written-down Group 1 Note or a Written-down Group 2 Note, as applicable.

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 in the related Loan Group 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 preliminary term sheet for the Reference Obligations in each Loan Group 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 in either Loan Group or predictions of the anticipated relative rate of prepayment of the Reference Obligations in such Loan Group. Variations in the prepayment experience and the principal balance of the Reference Obligations in a Loan Group 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 in a Loan Group 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 May 2016;
- (4) other than with respect to the Declining Balances Tables, the Reference Obligations in each Loan Group 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 25% of the Credit Event Amount with respect to Loan Group 1 and 15% of the Credit Event Amount with respect to Loan Group 2; 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 and Loan Group;

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- (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 in each Loan Group 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 May 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 October 2028;
- (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 April 21, 2016;
- (16) one-month LIBOR stays constant at 0.4385%;
- (17) the Reference Obligations in each Loan Group are aggregated into the assumed mortgage loans having the characteristics as described in "Assumed Characteristics of Loan Group 1 as of the Cut-Off Date" and "Assumed Characteristics of Loan Group 2 as of the Cut-Off Date", as applicable;
- (18) there are no Reversed Credit Event Reference Obligations;
- (19) the Projected Recovery Amount for each Loan Group is zero;
- (20) there are no Originator Rep and Warranty Settlements; and
- (21) the Class 1M-1 margin is equal to 2.25%, the Class 1M-2 margin is equal to 5.65%, the Class 1B margin is equal to 12.25%, the Class 2M-1 margin is equal to 2.25%, the Class 2M-2 margin is equal to 5.75% and the Class 2B margin is equal to 12.50%.

The Default Sensitivity tables assume a constant rate of Reference Obligations in each Loan Group becoming Credit Event Reference Obligations each month relative to the then outstanding aggregate principal balance of Reference Obligations in such Loan Group. 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.



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Assumed Characteristics of the Reference Obligations in Loan Group 1 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	684,473.59	352	360	2.995
2	486,721.35	352	360	3.125
3	7,328,135.47	352	360	3.250
4	33,469,184.91	352	360	3.372
5	153,333,515.64	352	360	3.499
6	770,887,418.57	352	360	3.624
7	2,357,488,154.09	352	360	3.749
8	2,133,575,631.22	352	360	3.874
9	1,699,454,788.20	352	360	3.996
10	1,510,785,447.00	352	360	4.123
11	1,371,229,863.54	352	360	4.248
12	628,466,100.92	352	360	4.374
13	402,539,195.88	352	360	4.499
14	293,124,131.37	352	360	4.623
15	258,661,111.99	352	360	4.749
16	150,695,337.93	352	360	4.874
17	57,786,552.45	352	360	4.997
18	17,404,438.39	352	360	5.125
19	10,676,421.73	351	360	5.250
20	2,756,999.34	351	360	5.358
21	89,394.00	351	360	5.500
22	432,715.66	351	360	5.625
23	177,286.57	352	360	5.750

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Assumed Characteristics of the Reference Obligations in Loan Group 2 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	868,924.40	349	360	3.000
2	9,403,759.93	349	360	3.125
3	21,093,490.43	350	360	3.250
4	34,539,775.80	350	360	3.369
5	225,481,431.17	350	360	3.498
6	1,312,015,422.83	350	360	3.624
7	3,823,258,934.33	350	360	3.749
8	4,488,554,542.35	350	360	3.874
9	3,708,779,801.23	351	360	3.997
10	3,730,429,100.49	351	360	4.123
11	3,643,892,442.94	350	360	4.247
12	1,724,169,092.85	350	360	4.374
13	1,009,424,588.19	351	360	4.499
14	722,390,236.19	350	360	4.616
15	535,802,569.97	350	360	4.750
16	264,043,923.61	350	360	4.874
17	90,984,842.73	350	360	4.995
18	21,157,571.54	350	360	5.124
19	18,843,295.53	350	360	5.250
20	5,239,662.33	350	360	5.375
21	697,528.81	348	360	5.479
22	355,878.06	349	360	5.625

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

Date	Class 1M-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
April 25, 2017	95	95	95	84	70	51	35	25
April 25, 2018	89	89	66	39	15	0	0	0
April 25, 2019	84	75	36	1	0	0	0	0
April 25, 2020	78	56	10	0	0	0	0	0
April 25, 2021	72	39	0	0	0	0	0	0
April 25, 2022	65	22	0	0	0	0	0	0
April 25, 2023	59	7	0	0	0	0	0	0
April 25, 2024	52	0	0	0	0	0	0	0
April 25, 2025	45	0	0	0	0	0	0	0
April 25, 2026	37	0	0	0	0	0	0	0
April 25, 2027	29	0	0	0	0	0	0	0
April 25, 2028	21	0	0	0	0	0	0	0
April 25, 2029	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	7.80	4.38	2.61	1.81	1.41	1.09	0.90	0.82
Weighted Average Life (years) to Group 1 Early Redemption Date*	7.11	4.38	2.61	1.81	1.41	1.09	0.90	0.82

* The Group 1 Early Redemption Date occurs on the first eligible Payment Date.



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Class 1M-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
April 25, 2017	100	100	100	100	100	100	100	100
April 25, 2018	100	100	100	100	100	90	70	55
April 25, 2019	100	100	100	100	75	50	29	12
April 25, 2020	100	100	100	73	45	20	0	0
April 25, 2021	100	100	88	50	22	0	0	0
April 25, 2022	100	100	70	31	3	0	0	0
April 25, 2023	100	100	53	15	0	0	0	0
April 25, 2024	100	93	39	1	0	0	0	0
April 25, 2025	100	81	26	0	0	0	0	0
April 25, 2026	100	69	14	0	0	0	0	0
April 25, 2027	100	58	4	0	0	0	0	0
April 25, 2028	100	48	0	0	0	0	0	0
April 25, 2029	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	12.51	11.02	7.49	5.25	4.01	3.15	2.59	2.22
Weighted Average Life (years) to Group 1 Early Redemption Date*	10.01	9.62	7.39	5.25	4.01	3.15	2.59	2.22

* The Group 1 Early Redemption Date occurs on the first eligible Payment Date.

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Class 1B

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
April 25, 2017	100	100	100	100	100	100	100	100
April 25, 2018	100	100	100	100	100	100	100	100
April 25, 2019	100	100	100	100	100	100	100	100
April 25, 2020	100	100	100	100	100	100	100	76
April 25, 2021	100	100	100	100	100	96	68	48
April 25, 2022	100	100	100	100	100	71	47	31
April 25, 2023	100	100	100	100	82	51	32	19
April 25, 2024	100	100	100	100	64	38	22	12
April 25, 2025	100	100	100	84	49	27	15	8
April 25, 2026	100	100	100	69	38	20	10	5
April 25, 2027	100	100	100	57	29	14	7	3
April 25, 2028	100	100	93	47	23	10	5	2
April 25, 2029	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	12.51	12.51	12.44	11.10	9.39	7.82	6.56	5.61
Weighted Average Life (years) to Group 1 Early Redemption Date*	10.01	10.01	10.01	9.72	8.40	6.70	5.51	4.65

* The Group 1 Early Redemption Date occurs on the first eligible Payment Date.

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Declining Balances Tables

Percentages of Original Class Principal Balances Outstanding and Weighted Average Lives

Class 2M-1

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
April 25, 2017	93	93	93	77	58	32	10	0
April 25, 2018	85	85	53	14	0	0	0	0
April 25, 2019	77	64	11	0	0	0	0	0
April 25, 2020	69	39	0	0	0	0	0	0
April 25, 2021	60	14	0	0	0	0	0	0
April 25, 2022	51	0	0	0	0	0	0	0
April 25, 2023	42	0	0	0	0	0	0	0
April 25, 2024	32	0	0	0	0	0	0	0
April 25, 2025	22	0	0	0	0	0	0	0
April 25, 2026	12	0	0	0	0	0	0	0
April 25, 2027	1	0	0	0	0	0	0	0
April 25, 2028	0	0	0	0	0	0	0	0
April 25, 2029	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	6.00	3.50	2.10	1.46	1.15	0.89	0.73	0.68
Weighted Average Life (years) to Group 2 Early Redemption Date*	5.93	3.50	2.10	1.46	1.15	0.89	0.73	0.68

* The Group 2 Early Redemption Date occurs on the first eligible Payment Date.



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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
April 25, 2017	100	100	100	100	100	100	100	97
April 25, 2018	100	100	100	100	90	72	56	44
April 25, 2019	100	100	100	81	60	40	23	10
April 25, 2020	100	100	87	59	36	16	0	0
April 25, 2021	100	100	70	40	17	0	0	0
April 25, 2022	100	96	56	25	2	0	0	0
April 25, 2023	100	85	42	12	0	0	0	0
April 25, 2024	100	74	31	1	0	0	0	0
April 25, 2025	100	64	21	0	0	0	0	0
April 25, 2026	100	55	11	0	0	0	0	0
April 25, 2027	100	46	3	0	0	0	0	0
April 25, 2028	95	38	0	0	0	0	0	0
April 25, 2029	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	12.46	10.13	6.77	4.74	3.62	2.85	2.33	2.01
Weighted Average Life (years) to Group 2 Early Redemption Date*	10.01	9.01	6.68	4.74	3.62	2.85	2.33	2.01

* The Group 2 Early Redemption Date occurs on the first eligible Payment Date.

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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
April 25, 2017	100	100	100	100	100	100	100	100
April 25, 2018	100	100	100	100	100	100	100	100
April 25, 2019	100	100	100	100	100	100	100	100
April 25, 2020	100	100	100	100	100	100	100	76
April 25, 2021	100	100	100	100	100	96	68	48
April 25, 2022	100	100	100	100	100	70	47	31
April 25, 2023	100	100	100	100	82	51	32	19
April 25, 2024	100	100	100	100	64	38	22	12
April 25, 2025	100	100	100	84	49	27	15	8
April 25, 2026	100	100	100	69	38	20	10	5
April 25, 2027	100	100	100	57	29	14	7	3
April 25, 2028	100	100	92	46	23	10	5	2
April 25, 2029	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	12.51	12.51	12.44	11.10	9.39	7.81	6.56	5.61
Weighted Average Life (years) to Group 2 Early Redemption Date*	10.01	10.01	10.01	9.72	8.40	6.70	5.51	4.65

* The Group 2 Early Redemption Date occurs on the first eligible Payment Date.

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Loan Group 1 Credit Event Sensitivity Table

Cumulative Credit Events (as % of the Loan Group 1 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%	0.81%	0.62%	0.49%	0.39%	0.32%	0.27%	0.22%
0.20%	2.15%	1.62%	1.24%	0.98%	0.78%	0.64%	0.53%	0.45%
0.30%	3.20%	2.42%	1.86%	1.46%	1.17%	0.96%	0.80%	0.67%
0.40%	4.25%	3.21%	2.47%	1.94%	1.55%	1.27%	1.06%	0.89%
0.50%	5.28%	3.99%	3.07%	2.41%	1.94%	1.58%	1.32%	1.12%
0.75%	7.82%	5.91%	4.56%	3.59%	2.88%	2.36%	1.97%	1.67%
1.00%	10.28%	7.79%	6.02%	4.74%	3.82%	3.13%	2.61%	2.21%

Group 1 Classes Cumulative Note Write-down Amount Tables

Class 1M-1 Cumulative Write-down Amount (as % of Class 1M-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 1M-2 Cumulative Write-down Amount (as % of Class 1M-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%	3.87%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.50%	20.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.75%	59.62%	29.86%	8.74%	0.00%	0.00%	0.00%	0.00%	0.00%
1.00%	98.17%	59.21%	31.51%	11.63%	0.00%	0.00%	0.00%	0.00%

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Class 1B Cumulative Write-down Amount (as % of Class 1B 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%	26.98%	20.32%	15.61%	12.24%	9.80%	8.00%	6.65%	5.62%
0.20%	53.67%	40.45%	31.09%	24.40%	19.55%	15.97%	13.28%	11.21%
0.30%	80.07%	60.39%	46.44%	36.47%	29.23%	23.89%	19.88%	16.79%
0.40%	100.00%	80.13%	61.67%	48.45%	38.86%	31.78%	26.45%	22.35%
0.50%	100.00%	99.69%	76.77%	60.35%	48.43%	39.62%	32.99%	27.88%
0.75%	100.00%	100.00%	100.00%	89.73%	72.10%	59.07%	49.23%	41.65%
1.00%	100.00%	100.00%	100.00%	100.00%	95.43%	78.27%	65.30%	55.29%

Loan Group 2 Credit Event Sensitivity Table

Cumulative Credit Events (as % of the Loan Group 2 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%	0.81%	0.62%	0.49%	0.39%	0.32%	0.27%	0.22%
0.20%	2.15%	1.62%	1.24%	0.98%	0.78%	0.64%	0.53%	0.45%
0.30%	3.20%	2.41%	1.86%	1.46%	1.17%	0.96%	0.79%	0.67%
0.40%	4.25%	3.20%	2.47%	1.94%	1.55%	1.27%	1.06%	0.89%
0.50%	5.28%	3.99%	3.07%	2.41%	1.94%	1.58%	1.32%	1.12%
0.75%	7.81%	5.91%	4.56%	3.59%	2.88%	2.36%	1.97%	1.67%
1.00%	10.28%	7.79%	6.01%	4.74%	3.82%	3.13%	2.61%	2.21%

Group 2 Classes 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%

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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%	8.59%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.00%	27.08%	8.39%	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%	16.18%	12.19%	9.36%	7.34%	5.88%	4.80%	3.99%	3.37%
0.20%	32.18%	24.26%	18.65%	14.63%	11.72%	9.58%	7.97%	6.73%
0.30%	48.02%	36.22%	27.86%	21.87%	17.53%	14.33%	11.92%	10.07%
0.40%	63.68%	48.06%	36.99%	29.06%	23.31%	19.06%	15.87%	13.41%
0.50%	79.17%	59.79%	46.04%	36.20%	29.05%	23.77%	19.79%	16.73%
0.75%	100.00%	88.63%	68.36%	53.82%	43.25%	35.43%	29.53%	24.99%
1.00%	100.00%	100.00%	90.22%	71.14%	57.24%	46.95%	39.17%	33.17%

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Group 1 Classes Yield Tables

Class 1M-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%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.10%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.20%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.30%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.40%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.50%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.75%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
1.00%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%

Class 1M-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%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%
0.10%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%
0.20%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%
0.30%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%
0.40%	5.95%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%
0.50%	4.86%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%	6.17%
0.75%	0.57%	3.93%	5.58%	6.17%	6.17%	6.17%	6.17%	6.17%
1.00%	(11.19)%	0.29%	3.55%	5.16%	6.17%	6.17%	6.17%	6.17%

Class 1B 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%	13.03%	13.03%	13.03%	13.03%	13.03%	13.03%	13.03%	13.03%
0.10%	10.43%	10.97%	11.36%	11.59%	11.70%	11.77%	11.81%	11.84%
0.20%	7.06%	8.52%	9.48%	10.05%	10.33%	10.48%	10.57%	10.64%
0.30%	2.02%	5.41%	7.27%	8.38%	8.88%	9.14%	9.31%	9.42%
0.40%	(8.00)%	0.96%	4.55%	6.48%	7.34%	7.76%	8.01%	8.17%
0.50%	(16.26)%	(8.62)%	0.93%	4.23%	5.68%	6.31%	6.67%	6.90%
0.75%	(37.70)%	(30.14)%	(20.81)%	(5.36)%	0.50%	2.29%	3.11%	3.59%
1.00%	(58.60)%	(51.46)%	(42.95)%	(32.09)%	(11.43)%	(2.93)%	(0.96)%	(0.01)%

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Group 2 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%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.10%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.20%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.30%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.40%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.50%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
0.75%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%
1.00%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%

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%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%
0.10%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%
0.20%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%
0.30%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%
0.40%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%
0.50%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%
0.75%	5.76%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%
1.00%	4.34%	5.75%	6.27%	6.27%	6.27%	6.27%	6.27%	6.27%

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%	13.29%	13.29%	13.29%	13.29%	13.29%	13.29%	13.29%	13.29%
0.10%	11.80%	12.10%	12.31%	12.44%	12.50%	12.54%	12.56%	12.58%
0.20%	10.11%	10.79%	11.27%	11.55%	11.69%	11.77%	11.82%	11.86%
0.30%	8.12%	9.33%	10.14%	10.63%	10.86%	10.99%	11.08%	11.14%
0.40%	5.70%	7.68%	8.91%	9.66%	10.01%	10.20%	10.32%	10.41%
0.50%	2.48%	5.75%	7.56%	8.64%	9.13%	9.39%	9.56%	9.67%
0.75%	(11.29)%	(1.72)%	3.31%	5.73%	6.79%	7.29%	7.59%	7.79%
1.00%	(23.83)%	(16.20)%	(3.98)%	1.83%	4.13%	5.04%	5.53%	5.84%

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Group 1 Classes Weighted Average Life Tables

Class 1M-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%	7.80	4.38	2.61	1.81	1.41	1.09	0.90	0.82
0.10%	7.93	4.72	2.72	1.89	1.42	1.17	0.98	0.82
0.20%	8.06	5.11	2.85	1.94	1.46	1.18	0.98	0.82
0.30%	8.19	5.58	2.99	2.00	1.49	1.18	0.99	0.82
0.40%	8.32	6.13	3.15	2.07	1.53	1.21	0.99	0.82
0.50%	8.45	6.80	3.33	2.15	1.57	1.23	1.00	0.84
0.75%	8.77	8.43	3.89	2.36	1.67	1.29	1.04	0.87
1.00%	9.08	8.90	4.69	2.62	1.80	1.36	1.08	0.89

Class 1M-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%	12.51	11.02	7.49	5.25	4.01	3.15	2.59	2.22
0.10%	12.51	11.48	8.01	5.52	4.15	3.28	2.69	2.25
0.20%	12.51	11.88	8.57	5.82	4.30	3.37	2.74	2.29
0.30%	12.51	12.20	9.10	6.15	4.49	3.49	2.81	2.34
0.40%	12.50	12.42	9.62	6.54	4.68	3.60	2.90	2.40
0.50%	12.16	12.51	10.12	7.00	4.91	3.73	2.97	2.45
0.75%	10.43	11.61	11.09	8.23	5.62	4.10	3.20	2.59
1.00%	8.27	9.98	10.87	9.06	6.68	4.61	3.48	2.77

Class 1B 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%	12.51	12.51	12.44	11.10	9.39	7.82	6.56	5.61
0.10%	10.74	11.05	11.29	10.51	9.03	7.62	6.43	5.47
0.20%	8.98	9.59	10.07	9.86	8.66	7.39	6.28	5.37
0.30%	7.23	8.14	8.85	9.14	8.25	7.14	6.12	5.25
0.40%	5.52	6.70	7.65	8.32	7.82	6.87	5.94	5.14
0.50%	4.34	5.27	6.45	7.38	7.34	6.59	5.76	5.01
0.75%	2.84	3.17	3.72	4.86	5.87	5.77	5.25	4.67
1.00%	2.12	2.29	2.53	2.91	3.83	4.74	4.66	4.29

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Group 2 Classes 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%	6.00	3.50	2.10	1.46	1.15	0.89	0.73	0.68
0.10%	6.08	3.63	2.14	1.49	1.15	0.92	0.79	0.68
0.20%	6.16	3.77	2.19	1.54	1.15	0.96	0.81	0.68
0.30%	6.25	3.92	2.23	1.54	1.15	0.97	0.81	0.68
0.40%	6.34	4.08	2.29	1.57	1.18	0.97	0.81	0.68
0.50%	6.44	4.25	2.34	1.59	1.20	0.97	0.81	0.68
0.75%	6.71	4.77	2.50	1.65	1.23	0.97	0.82	0.68
1.00%	6.97	5.41	2.67	1.73	1.27	1.00	0.82	0.68

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%	12.46	10.13	6.77	4.74	3.62	2.85	2.33	2.01
0.10%	12.47	10.39	7.01	4.88	3.67	2.94	2.43	2.02
0.20%	12.49	10.64	7.27	5.00	3.75	2.97	2.44	2.03
0.30%	12.50	10.89	7.54	5.14	3.83	3.01	2.46	2.04
0.40%	12.51	11.12	7.81	5.29	3.91	3.06	2.49	2.07
0.50%	12.51	11.35	8.07	5.45	3.99	3.11	2.52	2.10
0.75%	12.42	11.84	8.71	5.92	4.23	3.25	2.61	2.16
1.00%	11.81	12.11	9.33	6.49	4.52	3.41	2.71	2.23

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%	12.51	12.51	12.44	11.10	9.39	7.81	6.56	5.61
0.10%	11.45	11.63	11.76	10.74	9.16	7.70	6.50	5.51
0.20%	10.39	10.76	11.04	10.36	8.94	7.56	6.39	5.44
0.30%	9.34	9.89	10.32	9.97	8.70	7.41	6.30	5.39
0.40%	8.30	9.03	9.59	9.55	8.46	7.26	6.19	5.31
0.50%	7.27	8.17	8.87	9.11	8.22	7.10	6.08	5.23
0.75%	4.90	6.05	7.09	7.88	7.54	6.68	5.81	5.05
1.00%	3.61	4.20	5.33	6.43	6.78	6.23	5.52	4.85

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Reference Pool Summary

Loan Group 1

Statistics for the Reference Obligations listed below are based on statistical Cut-off Date information as of February 29, 2016.

Collateral Summary				
	<u>Aggregate</u>	<u>Weighted Average</u>	<u>Minimum</u>	<u>Maximum</u>
Number of Reference Obligations	49,687	-	-	-
Aggregate Original Principal Balance	\$12,077,443,000	\$243,070 ⁽¹⁾	\$17,000	\$1,040,000
Aggregate Scheduled Principal Balance	\$11,861,533,020	\$238,725 ⁽¹⁾	\$9,053	\$1,027,206
Gross Mortgage Rate	-	4.026%	2.990%	5.750%
Remaining Term to Stated Maturity (Months)	-	352 Months	293 Months	353 Months
Original Term (Months)	-	360 Months	301 Months	360 Months
Loan Age (Months)	-	8 Months	7 Months	11 Months
Original Loan-to-Value Ratio	-	75.38%	61.00%	80.00%
Original Combined Loan-to-Value Ratio	-	76.45%	61.00%	97.00%
Debt-to-Income Ratio	-	33.84%	0.05%	50.00%
Credit Score	-	751	620	831
% Refinance	50.33%			
% Owner Occupied	85.22%			
% SFR/PUD	87.87%			
Top Five Geographic Concentration of Mortgaged Properties				
CA	27.43%			
TX	7.26%			
FL	5.14%			
CO	5.02%			
WA	3.71%			

(1) Average

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<i>Product Type of the Mortgage Loans</i>							
Product Type	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Fixed Rate	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

<i>Unpaid Principal Balances as of the Origination Date</i>							
Range of Unpaid Principal Balance (\$)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.01 - 25,000.00	15	323,478	*	4.435	758	75.94	75.94
25,000.01 - 50,000.00	426	17,844,148	0.15	4.469	744	75.98	76.21
50,000.01 - 75,000.00	1,544	97,843,994	0.82	4.347	741	75.61	75.89
75,000.01 - 100,000.00	2,966	262,219,446	2.21	4.253	744	75.15	75.37
100,000.01 - 125,000.00	3,883	432,680,199	3.65	4.196	745	75.66	75.88
125,000.01 - 150,000.00	4,216	572,159,266	4.82	4.125	748	75.76	76.03
150,000.01 - 200,000.00	8,534	1,479,783,834	12.48	4.075	748	75.77	76.14
200,000.01 - 250,000.00	7,200	1,592,241,290	13.42	4.033	750	75.79	76.21
250,000.01 - 300,000.00	6,318	1,709,424,288	14.41	4.009	750	75.94	76.43
300,000.01 - 350,000.00	4,670	1,493,419,162	12.59	3.983	752	75.79	76.38
350,000.01 - 400,000.00	4,074	1,505,511,826	12.69	3.957	753	75.88	77.14
400,000.01 - 450,000.00	3,333	1,363,660,060	11.50	3.965	751	73.66	77.14
450,000.01 - 500,000.00	826	387,278,979	3.26	3.988	757	74.91	76.06
500,000.01 - 550,000.00	684	352,454,465	2.97	3.992	755	74.24	76.06
550,000.01 - 600,000.00	492	278,482,227	2.35	3.970	759	74.80	76.95
600,000.01 - 650,000.00	450	274,487,736	2.31	4.023	752	73.36	77.34
650,000.01 - 700,000.00	16	10,752,416	0.09	4.305	755	69.83	70.68
700,000.01 or greater	40	30,966,204	0.26	4.106	769	70.00	71.57
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Average (\$)	243,070.48						

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

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<i>Unpaid Principal Balances as of the Cut-off Date</i>							
Range of Unpaid Principal Balance (\$)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.01 - 25,000.00	41	784,471	0.01	4.228	774	75.80	75.80
25,000.01 - 50,000.00	487	20,315,763	0.17	4.432	747	76.08	76.31
50,000.01 - 75,000.00	1,608	102,867,800	0.87	4.333	742	75.66	75.93
75,000.01 - 100,000.00	3,069	274,072,127	2.31	4.246	744	75.13	75.36
100,000.01 - 125,000.00	3,990	449,909,251	3.79	4.189	745	75.72	75.92
125,000.01 - 150,000.00	4,234	581,705,444	4.90	4.120	749	75.76	76.03
150,000.01 - 200,000.00	8,575	1,504,332,706	12.68	4.072	749	75.76	76.13
200,000.01 - 250,000.00	7,323	1,642,995,830	13.85	4.033	750	75.83	76.25
250,000.01 - 300,000.00	6,158	1,688,554,920	14.24	4.007	750	75.93	76.43
300,000.01 - 350,000.00	4,713	1,528,416,150	12.89	3.979	752	75.78	76.41
350,000.01 - 400,000.00	3,987	1,496,123,144	12.61	3.958	753	75.82	77.15
400,000.01 - 450,000.00	3,089	1,277,180,401	10.77	3.969	751	73.51	77.07
450,000.01 - 500,000.00	837	397,530,348	3.35	3.992	757	74.98	76.15
500,000.01 - 550,000.00	639	333,847,171	2.81	3.984	756	74.28	76.15
550,000.01 - 600,000.00	500	287,271,223	2.42	3.977	758	74.67	76.95
600,000.01 - 650,000.00	383	235,202,534	1.98	4.029	751	73.22	77.42
650,000.01 or greater	54	40,423,736	0.34	4.160	767	70.03	71.32
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Average (\$)	238,725.08						

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<i>Gross Mortgage Rates of the Mortgage Loans as of the Cut-off Date</i>							
Range of Gross Mortgage Rates (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
3.000 or less	3	684,474	0.01	2.995	768	76.26	76.26
3.001 - 3.250	31	7,814,857	0.07	3.242	777	74.23	74.23
3.251 - 3.500	649	186,802,701	1.57	3.476	775	74.80	75.43
3.501 - 3.750	11,643	3,128,375,573	26.37	3.718	771	75.07	75.89
3.751 - 4.000	15,193	3,833,030,419	32.31	3.928	761	75.32	76.59
4.001 - 4.250	12,409	2,882,015,311	24.30	4.182	739	75.53	76.86
4.251 - 4.500	5,130	1,031,005,297	8.69	4.423	718	75.55	76.49
4.501 - 4.750	3,083	551,785,243	4.65	4.682	703	76.09	76.62
4.751 - 5.000	1,308	208,481,890	1.76	4.908	685	76.71	76.99
5.001 - 5.250	213	28,080,860	0.24	5.172	679	77.63	77.83
5.251 - 5.500	21	2,846,393	0.02	5.363	680	77.32	77.32
5.501 - 5.750	4	610,002	0.01	5.661	640	79.62	79.62
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Weighted Average (%)	4.026						

<i>Seasoning of the Mortgage Loans as of the Cut-off Date</i>							
Seasoning (Months)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
7	11,914	2,796,596,660	23.58	4.074	750	75.50	76.58
8	26,527	6,371,927,374	53.72	4.002	751	75.31	76.30
9	9,476	2,241,164,938	18.89	4.024	752	75.47	76.73
10	1,563	401,296,350	3.38	4.052	748	75.20	76.57
11	207	50,547,699	0.43	4.153	730	74.95	76.20
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Weighted Average (months)	8.03						

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<i>Original Loan-to-Value Ratio of the Mortgage Loans at Origination</i>							
Range of Original LTV (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
60.01 - 65.00	3,802	956,187,503	8.06	3.972	754	63.36	65.32
65.01 - 70.00	6,550	1,624,947,392	13.70	4.009	748	68.48	69.90
70.01 - 75.00	11,678	2,786,080,386	23.49	4.047	752	73.86	75.03
75.01 - 80.00	27,657	6,494,317,739	54.75	4.028	750	79.53	80.35
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Weighted Average (%)	75.38						

<i>Combined Loan-to-Value Ratio of the Mortgage Loans at Origination</i>							
Range of Combined LTV (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
60.01 - 65.00	3,485	839,661,695	7.08	3.981	755	63.33	63.34
65.01 - 70.00	6,165	1,482,773,374	12.50	4.011	749	68.40	68.48
70.01 - 75.00	11,119	2,576,701,735	21.72	4.050	752	73.72	73.87
75.01 - 80.00	26,476	6,138,804,267	51.75	4.023	750	79.31	79.53
80.01 - 85.00	429	143,548,700	1.21	4.033	746	73.91	83.80
85.01 - 90.00	1,469	530,321,885	4.47	4.041	751	76.41	89.39
90.01 - 95.00	531	147,266,216	1.24	4.062	744	77.28	94.40
95.01 - 97.00	13	2,455,148	0.02	4.129	738	77.32	96.94
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Weighted Average (%)	76.45						

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<i>Credit Scores of the Mortgage Loans at Origination</i>							
Credit Scores at Origination	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
620	39	7,641,929	0.06	4.532	620	74.83	75.10
621 - 640	902	184,567,743	1.56	4.529	632	74.83	75.15
641 - 660	1,543	314,625,180	2.65	4.481	651	75.14	75.54
661 - 680	2,739	593,499,993	5.00	4.380	671	75.65	76.37
681 - 700	3,658	835,216,502	7.04	4.238	691	75.45	76.52
701 - 720	4,600	1,089,602,601	9.19	4.112	710	75.77	77.17
721 - 740	5,197	1,282,968,367	10.82	4.017	730	75.45	76.97
741 - 760	6,462	1,606,714,731	13.55	3.951	751	75.47	76.91
761 - 780	8,222	2,039,674,813	17.20	3.937	771	75.35	76.52
781 - 800	10,178	2,519,619,674	21.24	3.921	791	75.31	76.20
801 - 820	6,057	1,370,117,194	11.55	3.920	808	75.08	75.65
821 - 840	90	17,284,292	0.15	3.895	823	73.69	73.87
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Weighted Average	751						

<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 (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.001 - 20.000	4,302	909,569,221	7.67	3.938	769	75.20	75.84
20.001 - 25.000	5,444	1,271,422,441	10.72	3.945	762	75.38	76.37
25.001 - 30.000	7,187	1,707,511,746	14.40	3.980	757	75.69	76.81
30.001 - 35.000	8,397	2,027,785,648	17.10	4.014	751	75.43	76.54
35.001 - 40.000	9,744	2,371,340,058	19.99	4.049	747	75.50	76.86
40.001 - 45.000	12,035	2,960,153,468	24.96	4.097	739	75.30	76.47
45.001 - 50.000	2,578	613,750,438	5.17	4.052	751	74.58	74.65
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Weighted Average (%)	33.84						

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<i>Occupancy Status of the Mortgage Loans as of the Cut-off Date</i>							
Occupancy Status	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Owner-Occupied	40,555	10,108,226,606	85.22	3.990	749	75.59	76.84
Investment Property	6,454	1,195,935,709	10.08	4.366	760	73.22	73.25
Second Home	2,678	557,370,705	4.70	3.946	768	76.21	76.42
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

<i>Loan Purpose of the Mortgage Loans</i>							
Loan Purpose	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Purchase	25,595	5,892,038,725	49.67	3.995	757	77.15	78.44
No Cash-Out Refinance	12,583	3,389,386,072	28.57	3.978	751	73.29	74.69
Cash-Out Refinance	11,509	2,580,108,223	21.75	4.158	736	74.10	74.24
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

<i>Property Type of the Mortgage Loans as of the Cut-off Date</i>							
Property Type	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1-4 Family Dwelling Unit	29,335	6,892,649,069	58.11	4.042	748	75.17	76.16
PUD	13,945	3,530,082,615	29.76	3.990	753	75.89	77.32
Condo	5,902	1,350,108,066	11.38	4.038	760	75.05	75.68
Co-op	264	59,063,921	0.50	3.906	759	76.18	76.19
Manufactured Housing	241	29,629,350	0.25	4.201	747	76.82	77.13
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

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Connecticut Avenue Securities, Series 2016-C03
 CONFIDENTIAL PRELIMINARY TERM SHEET

<i>Geographic Concentration of the Mortgage Loans</i>							
State or Territory	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
California	9,899	3,253,819,643	27.43	4.064	747	73.79	74.80
Texas	4,061	860,676,260	7.26	4.065	745	76.42	78.12
Florida	3,121	609,264,914	5.14	4.085	749	75.87	76.31
Colorado	2,396	594,895,068	5.02	4.032	753	75.38	76.52
Washington	1,690	439,873,285	3.71	4.041	756	75.54	76.46
New York	1,302	364,962,798	3.08	4.004	751	75.53	75.94
Virginia	1,289	361,417,595	3.05	3.936	758	75.57	77.02
Illinois	1,681	345,214,385	2.91	3.995	753	75.81	77.00
New Jersey	1,185	328,114,841	2.77	3.991	750	75.75	76.42
Arizona	1,598	313,398,015	2.64	4.107	752	76.09	76.77
Massachusetts	985	275,652,972	2.32	3.972	747	74.80	76.17
Georgia	1,236	266,764,867	2.25	3.959	752	76.50	77.78
North Carolina	1,325	264,390,292	2.23	3.958	759	76.29	77.61
Oregon	1,083	255,489,915	2.15	4.036	759	75.64	76.69
Maryland	852	236,299,377	1.99	3.965	754	75.80	77.83
Pennsylvania	1,170	231,903,368	1.96	3.971	756	76.48	77.67
Minnesota	1,066	224,383,824	1.89	3.962	756	76.43	78.44
Michigan	1,310	223,541,769	1.88	4.044	748	76.15	76.79
Wisconsin	1,083	193,434,521	1.63	3.895	758	76.32	77.67
Utah	852	190,685,811	1.61	4.024	755	76.02	76.73
South Carolina	740	145,355,471	1.23	4.004	753	76.22	77.19
Nevada	707	141,051,380	1.19	4.184	742	75.65	75.84
Tennessee	726	140,153,840	1.18	4.006	751	76.48	77.77
Missouri	765	135,361,284	1.14	3.972	754	76.41	77.74
Ohio	852	133,394,474	1.12	3.969	753	76.85	77.70
Hawaii	284	109,105,605	0.92	3.993	755	74.30	75.35
Indiana	645	105,457,728	0.89	4.005	753	77.01	78.59
Louisiana	445	90,384,759	0.76	4.023	745	76.21	77.87
Iowa	507	86,797,444	0.73	3.821	755	77.11	79.65
Connecticut	341	85,239,723	0.72	3.957	752	76.39	77.13
Alabama	411	77,540,559	0.65	3.961	754	76.58	77.91
Oklahoma	420	74,128,492	0.62	4.007	751	76.69	77.34
Idaho	382	65,176,966	0.55	4.045	747	75.91	76.26
Nebraska	360	60,149,726	0.51	3.917	759	76.72	77.52
Kentucky	341	57,366,719	0.48	4.043	746	76.67	78.18
New Mexico	265	49,524,882	0.42	4.076	754	76.28	76.63
Kansas	258	46,512,927	0.39	3.976	747	76.87	77.64
Arkansas	297	44,918,993	0.38	4.006	750	76.77	77.44
Montana	206	43,882,658	0.37	3.962	753	76.02	76.40
District of Columbia	110	39,624,165	0.33	3.991	760	73.82	75.74
New Hampshire	169	38,959,383	0.33	3.965	751	76.37	76.84
Mississippi	198	35,072,009	0.30	3.950	749	76.64	77.90
Delaware	158	34,662,022	0.29	4.015	755	76.30	76.51
North Dakota	122	28,160,899	0.24	3.895	750	75.78	76.40
Rhode Island	126	27,966,537	0.24	3.962	754	76.07	76.92
South Dakota	145	26,797,509	0.23	3.866	762	76.27	77.52
Wyoming	118	24,828,949	0.21	3.995	751	76.25	77.18
Alaska	82	20,235,655	0.17	4.068	741	76.06	76.06
Maine	89	19,343,100	0.16	3.992	747	77.10	77.70
Vermont	77	17,053,407	0.14	3.998	747	75.46	75.79
West Virginia	72	11,127,964	0.09	4.003	747	77.03	77.35
Puerto Rico	75	9,385,728	0.08	3.934	750	75.31	75.31
Virgin Islands	8	2,303,697	0.02	4.190	754	75.84	75.84
Guam	2	324,844	*	3.811	755	76.94	76.94
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

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

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Geographic Concentration of the Mortgage Loans (Top 10 Metropolitan Statistical Areas ("MSA"))*							
Top 10 MSAs	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Los Angeles-Long Beach-Anaheim, CA	3,257	1,200,024,134	10.12	4.048	748	73.63	74.59
Non Metro	3,837	682,423,317	5.75	4.002	753	76.09	76.63
New York-Newark-Jersey City, NY-NJ-PA	1,891	578,002,921	4.87	4.004	750	75.47	76.03
San Francisco-Oakland-Hayward, CA	1,067	423,908,772	3.57	4.012	753	72.61	74.04
Washington-Arlington-Alexandria, DC-VA-MD-WV	1,151	384,354,163	3.24	3.933	757	75.28	77.25
Denver-Aurora-Lakewood, CO	1,481	379,696,384	3.20	4.034	751	75.16	76.38
Riverside-San Bernardino-Ontario, CA	1,336	336,913,846	2.84	4.133	736	74.57	75.14
San Diego-Carlsbad, CA	972	335,278,120	2.83	4.044	751	73.56	74.77
Dallas-Fort Worth-Arlington, TX	1,495	326,822,520	2.76	4.056	748	76.44	78.32
Chicago-Naperville-Elgin, IL-IN-WI	1,341	300,938,000	2.54	3.999	754	75.67	76.88
Other	31,859	6,913,170,842	58.28	4.025	751	75.86	76.94
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

*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.

Geographic Concentration of the Mortgaged Properties (Top 10 Zip Codes)							
Top 10 Zip Codes	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
80134	59	17,569,020	0.15	3.979	757	76.74	78.01
75070	66	15,860,037	0.13	4.091	751	76.20	78.28
92880	43	15,017,401	0.13	4.049	731	72.58	75.01
93065	38	14,843,351	0.13	4.107	744	75.21	77.17
92336	50	14,661,957	0.12	4.097	736	75.39	75.67
75035	49	14,459,889	0.12	3.976	751	75.75	77.87
20148	32	14,383,481	0.12	3.816	769	75.71	77.90
95747	44	14,065,673	0.12	4.122	744	75.93	76.19
92882	45	14,052,822	0.12	4.078	740	74.07	75.43
77494	47	13,877,833	0.12	3.929	746	76.75	79.07
Other	49,214	11,712,741,555	98.75	4.026	751	75.38	76.45
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

This is a Confidential Preliminary Term Sheet. All Terms and statements are subject to change.



<i>Original Term to Maturity of the Mortgage Loans</i>							
Original Term to Maturity (months)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
300 - 319	42	10,105,550	0.09	4.023	745	72.43	72.95
320 - 339	78	19,991,233	0.17	3.920	759	72.92	73.88
340 - 359	56	13,562,693	0.11	4.016	747	72.48	73.96
360 or greater	49,511	11,817,873,544	99.63	4.026	751	75.39	76.46
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
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 (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
291 - 300	2	397,736	*	4.188	718	74.05	74.05
301 or greater	49,685	11,861,135,284	100.00	4.026	751	75.38	76.45
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Weighted Average (months)	352						

*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 (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Wells Fargo Bank, N.A.	6,364	1,523,779,135	12.85	4.031	754	75.81	76.84
Quicken Loans Inc.	2,890	601,618,472	5.07	4.158	737	74.08	74.45
Flagstar Bank, FSB	1,472	409,569,104	3.45	4.028	752	74.75	75.66
CitiMortgage, Inc.	1,333	407,668,094	3.44	3.822	762	74.58	75.05
SunTrust Mortgage Inc.	944	233,769,839	1.97	3.851	761	75.36	76.77
Stearns Lending, LLC	676	197,804,753	1.67	4.067	743	75.67	77.02
Nationstar Mortgage, LLC	666	187,323,449	1.58	4.080	743	74.63	76.34
United Shore Financial Services, LLC d/b/a United	671	181,618,000	1.53	4.025	763	74.87	75.25
Loandepot.Com, LLC	605	170,330,612	1.44	4.006	740	74.84	75.97
Amerihome Mortgage Company, LLC	521	159,577,344	1.35	4.084	748	75.07	76.92
Other	33,545	7,788,474,219	65.66	4.027	750	75.51	76.66
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

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<i>Servicers of the Mortgage Loans</i>							
Servicer	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Wells Fargo Bank, N.A.	6,364	1,523,779,135	12.85	4.031	754	75.81	76.84
Pingora Loan Servicing, LLC	3,005	772,406,840	6.51	4.022	753	75.45	76.64
Quicken Loans Inc.	2,890	601,618,472	5.07	4.158	737	74.08	74.45
Flagstar Bank, FSB	1,472	409,569,104	3.45	4.028	752	74.75	75.66
CitiMortgage, Inc.	1,333	407,668,094	3.44	3.822	762	74.58	75.05
Ditech Financial LLC	1,295	296,139,529	2.50	4.161	739	75.20	76.22
SunTrust Mortgage Inc.	944	233,769,839	1.97	3.851	761	75.36	76.77
Roundpoint Mortgage Servicing Corporation	761	195,347,995	1.65	4.153	743	76.28	77.47
Nationstar Mortgage, LLC	665	186,983,534	1.58	4.079	743	74.63	76.34
Seneca Mortgage Servicing LLC	587	183,926,675	1.55	4.054	745	75.83	77.20
Other	30,371	7,050,323,801	59.44	4.019	751	75.47	76.60
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

<i>Origination Channel of the Mortgage Loans</i>							
Origination Channel	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Retail	31,220	7,151,361,599	60.29	4.025	751	75.50	76.49
Correspondent	12,480	3,032,712,731	25.57	4.024	751	75.54	77.03
Broker	5,987	1,677,458,690	14.14	4.030	751	74.57	75.28
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

<i>Mortgage Loans with Subordinate Financing at Origination</i>							
Mortgage Loans with Subordinate Financing at Origination	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	46,581	10,799,822,675	91.05	4.027	751	75.48	75.48
Yes	3,106	1,061,710,345	8.95	4.012	749	74.39	86.38
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

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<i>First Payment Date of the Mortgage Loans</i>							
First Payment Date	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
April 2015	207	50,547,699	0.43	4.153	730	74.95	76.20
May 2015	1,563	401,296,350	3.38	4.052	748	75.20	76.57
June 2015	9,476	2,241,164,938	18.89	4.024	752	75.47	76.73
July 2015	26,527	6,371,927,374	53.72	4.002	751	75.31	76.30
August 2015	11,914	2,796,596,660	23.58	4.074	750	75.50	76.58
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

<i>Maturity Date of the Mortgage Loans</i>							
Maturity Date (year)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
2040	2	397,736	*	4.188	718	74.05	74.05
2041	39	9,314,967	0.08	4.028	745	72.50	72.65
2042	37	9,383,274	0.08	3.934	759	72.18	73.46
2043	46	11,542,884	0.10	3.911	760	73.32	74.30
2044	50	12,272,174	0.10	4.008	747	72.20	73.76
2045	49,513	11,818,621,985	99.64	4.026	751	75.39	76.46
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

*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 (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	42,364	10,190,897,917	85.92	4.034	751	74.96	75.97
Yes	7,323	1,670,635,103	14.08	3.971	747	77.94	79.39
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

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Number of Borrowers

Number of Borrowers	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1	24,957	5,508,493,060	46.44	4.045	751	75.36	76.20
2 or more	24,730	6,353,039,959	53.56	4.009	751	75.40	76.68
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

Number of Units

Number of Units	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1	48,287	11,483,794,105	96.82	4.016	751	75.50	76.60
2	937	229,669,236	1.94	4.282	752	72.72	72.88
3	223	67,085,765	0.57	4.340	754	70.53	70.67
4	240	80,983,914	0.68	4.355	770	70.43	70.43
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

Mortgage Insurance

Mortgage Insurance	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
None	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

Delinquency Status of the Mortgage Loans as of the Cut-off Date

Delinquency Status	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Current	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

*Historical Delinquency of the Mortgage Loans Since Acquisition**

Delinquency Status Since Acquisition*	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Never Delinquent	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45
Total:	49,687	11,861,533,020	100.00	4.026	751	75.38	76.45

* Mortgage Loans Acquired by Fannie Mae during June 2015.

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Reference Pool Summary

Loan Group 2

Statistics for the Reference Obligations listed below are based on statistical Cut-off Date information as of February 29, 2016.

Collateral Summary				
	<u>Aggregate</u>	<u>Weighted Average</u>	<u>Minimum</u>	<u>Maximum</u>
Number of Reference Obligations	110,204	-	-	-
Aggregate Original Principal Balance	\$25,877,391,000	\$234,814 ⁽¹⁾	\$18,000	\$707,000
Aggregate Scheduled Principal Balance	\$25,391,426,816	\$230,404 ⁽¹⁾	\$5,240	\$698,261
Gross Mortgage Rate	-	4.061%	3.000%	5.625%
Remaining Term to Stated Maturity (Months)	-	350 Months	294 Months	353 Months
Original Term (Months)	-	360 Months	304 Months	360 Months
Loan Age (Months)	-	9 Months	7 Months	14 Months
Original Loan-to-Value Ratio	-	91.82%	81.00%	97.00%
Original Combined Loan-to-Value Ratio	-	91.85%	81.00%	97.00%
Debt-to-Income Ratio	-	34.35%	2.83%	49.89%
Credit Score	-	746	620	830
% Refinance	23.95%			
% Owner Occupied	96.66%			
% SFR/PUD	90.43%			
Top Five Geographic Concentration of Mortgaged Properties				
CA	11.98%			
TX	8.19%			
FL	5.48%			
CO	4.33%			
IL	4.04%			

(1) Average

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<i>Product Type of the Mortgage Loans</i>							
Product Type	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Fixed Rate	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

<i>Unpaid Principal Balances as of the Origination Date</i>							
Range of Unpaid Principal Balance (\$)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.01 - 25,000.00	16	356,408	*	4.263	731	92.36	92.36
25,000.01 - 50,000.00	547	22,844,689	0.09	4.278	731	92.98	93.05
50,000.01 - 75,000.00	2,449	156,075,163	0.61	4.217	735	92.71	92.79
75,000.01 - 100,000.00	4,434	384,674,138	1.51	4.156	737	92.66	92.74
100,000.01 - 125,000.00	7,759	869,667,651	3.43	4.115	741	92.47	92.53
125,000.01 - 150,000.00	9,719	1,319,323,795	5.20	4.092	743	92.53	92.56
150,000.01 - 200,000.00	21,193	3,650,413,768	14.38	4.063	745	92.41	92.44
200,000.01 - 250,000.00	19,759	4,358,515,301	17.17	4.048	748	92.17	92.18
250,000.01 - 300,000.00	15,809	4,255,229,852	16.76	4.044	747	91.98	92.00
300,000.01 - 350,000.00	12,184	3,873,455,258	15.25	4.043	746	91.82	91.84
350,000.01 - 400,000.00	9,400	3,453,889,429	13.60	4.046	746	91.69	91.72
400,000.01 - 450,000.00	4,926	2,004,997,270	7.90	4.060	746	90.65	90.70
450,000.01 - 500,000.00	768	358,887,747	1.41	4.143	758	88.39	88.40
500,000.01 - 550,000.00	574	295,228,168	1.16	4.148	760	88.64	88.67
550,000.01 - 600,000.00	410	231,675,245	0.91	4.151	758	88.51	88.51
600,000.01 - 650,000.00	251	152,176,920	0.60	4.147	758	88.20	88.20
650,000.01 - 700,000.00	5	3,317,752	0.01	3.977	756	86.59	86.59
700,000.01 - 750,000.00	1	698,261	*	4.000	778	90.00	90.00
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Average (\$)	234,813.54						

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

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Connecticut Avenue Securities, Series 2016-C03
 CONFIDENTIAL PRELIMINARY TERM SHEET

<i>Unpaid Principal Balances as of the Cut-off Date</i>							
Range of Unpaid Principal Balance (\$)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.01 - 25,000.00	52	947,625	*	4.127	765	92.54	92.54
25,000.01 - 50,000.00	604	25,346,198	0.10	4.262	735	92.97	93.04
50,000.01 - 75,000.00	2,684	173,331,591	0.68	4.201	736	92.74	92.82
75,000.01 - 100,000.00	4,570	402,215,096	1.58	4.152	738	92.61	92.69
100,000.01 - 125,000.00	8,129	922,602,517	3.63	4.112	741	92.46	92.52
125,000.01 - 150,000.00	10,034	1,383,580,891	5.45	4.086	744	92.56	92.59
150,000.01 - 200,000.00	21,326	3,728,348,697	14.68	4.060	745	92.36	92.38
200,000.01 - 250,000.00	20,092	4,504,264,441	17.74	4.048	748	92.19	92.21
250,000.01 - 300,000.00	15,587	4,274,357,231	16.83	4.044	747	91.96	91.98
300,000.01 - 350,000.00	11,958	3,868,375,277	15.23	4.042	746	91.82	91.84
350,000.01 - 400,000.00	9,206	3,442,223,763	13.56	4.048	746	91.61	91.64
400,000.01 - 450,000.00	4,061	1,671,943,545	6.58	4.070	746	90.45	90.51
450,000.01 - 500,000.00	761	360,455,433	1.42	4.142	758	88.36	88.38
500,000.01 - 550,000.00	547	285,884,088	1.13	4.149	759	88.71	88.74
550,000.01 - 600,000.00	413	237,068,118	0.93	4.150	760	88.50	88.50
600,000.01 - 650,000.00	175	107,108,264	0.42	4.161	756	88.05	88.05
650,000.01 or greater	5	3,374,041	0.01	4.025	751	87.22	87.22
Total	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Average (\$)	230,403.86						

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

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<i>Gross Mortgage Rates of the Mortgage Loans as of the Cut-off Date</i>							
Range of Gross Mortgage Rates (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
3.000 or less	6	868,924	*	3.000	717	95.78	95.78
3.001 - 3.250	139	30,497,250	0.12	3.211	748	92.32	92.32
3.251 - 3.500	1,134	260,021,207	1.02	3.481	763	91.84	91.86
3.501 - 3.750	21,752	5,135,274,357	20.22	3.717	763	91.55	91.56
3.751 - 4.000	35,311	8,197,334,344	32.28	3.930	755	91.70	91.72
4.001 - 4.250	31,676	7,374,321,543	29.04	4.185	742	91.86	91.89
4.251 - 4.500	12,200	2,733,593,681	10.77	4.420	724	92.15	92.22
4.501 - 4.750	5,901	1,258,192,806	4.96	4.673	713	92.35	92.42
4.751 - 5.000	1,798	355,028,766	1.40	4.905	704	93.01	93.06
5.001 - 5.250	241	40,000,867	0.16	5.183	694	92.52	92.53
5.251 - 5.500	43	5,937,191	0.02	5.387	695	94.54	94.54
5.501 - 5.750	3	355,878	*	5.625	669	90.49	90.49
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Weighted Average (%)	4.061						

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

<i>Seasoning of the Mortgage Loans as of the Cut-off Date</i>							
Seasoning (Months)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
7	7,465	1,685,703,988	6.64	4.129	745	92.28	92.30
8	21,572	4,950,284,776	19.50	4.039	746	92.04	92.07
9	26,945	6,170,453,719	24.30	4.073	746	91.98	92.01
10	29,153	6,777,755,563	26.69	4.044	747	91.72	91.75
11	19,443	4,562,358,113	17.97	4.027	747	91.38	91.41
12	4,451	973,803,158	3.84	4.176	745	91.76	91.82
13	957	218,993,431	0.86	4.333	743	91.32	91.51
14	218	52,074,067	0.21	4.340	751	91.40	91.54
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Weighted Average (months)	9.46						

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<i>Original Loan-to-Value Ratio of the Mortgage Loans at Origination</i>							
Range of Original LTV (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
80.01 - 85.00	12,448	3,088,137,294	12.16	4.043	750	84.25	84.38
85.01 - 90.00	32,867	8,097,953,075	31.89	4.042	749	89.39	89.43
90.01 - 95.00	58,837	13,095,867,434	51.58	4.065	745	94.67	94.67
95.01 - 97.00	6,052	1,109,469,012	4.37	4.202	734	96.99	96.99
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Weighted Average (%)	91.82						

<i>Combined Loan-to-Value Ratio of the Mortgage Loans at Origination</i>							
Range of Combined LTV (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
80.01 - 85.00	12,214	3,033,869,511	11.95	4.040	750	84.26	84.26
85.01 - 90.00	32,704	8,073,851,967	31.80	4.041	749	89.38	89.39
90.01 - 95.00	59,100	13,152,912,371	51.80	4.065	745	94.63	94.67
95.01 - 97.00	6,186	1,130,792,967	4.45	4.203	734	96.89	96.98
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Weighted Average (%)	91.85						

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<i>Credit Scores of the Mortgage Loans at Origination</i>							
Credit Scores at Origination	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
601 - 620	50	11,631,209	0.05	4.447	620	91.74	91.81
621 - 640	1,118	243,570,329	0.96	4.494	632	91.97	91.99
641 - 660	2,684	572,854,535	2.26	4.418	651	92.35	92.39
661 - 680	4,720	1,002,194,600	3.95	4.316	671	92.40	92.43
681 - 700	9,522	2,112,773,708	8.32	4.210	691	92.23	92.27
701 - 720	11,846	2,655,012,064	10.46	4.144	711	92.10	92.14
721 - 740	15,840	3,635,178,723	14.32	4.065	730	92.07	92.10
741 - 760	18,469	4,313,426,111	16.99	4.006	751	91.89	91.92
761 - 780	19,931	4,760,236,884	18.75	3.985	771	91.63	91.66
781 - 800	18,326	4,377,346,035	17.24	3.973	790	91.41	91.43
801 - 820	7,645	1,697,671,707	6.69	3.978	807	91.22	91.23
821 - 840	53	9,530,912	0.04	4.136	823	89.21	89.21
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Weighted Average	746						

<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 (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.001 - 20.000	5,094	1,005,311,409	3.96	3.985	762	91.05	91.07
20.001 - 25.000	10,633	2,316,562,316	9.12	3.996	758	91.31	91.34
25.001 - 30.000	17,348	3,909,884,286	15.40	4.022	753	91.63	91.65
30.001 - 35.000	22,034	5,091,578,372	20.05	4.050	747	91.92	91.94
35.001 - 40.000	25,009	5,887,847,499	23.19	4.076	743	91.97	92.00
40.001 - 45.000	29,931	7,146,590,862	28.15	4.109	739	92.01	92.04
45.001 - 50.000	155	33,652,072	0.13	4.172	737	91.94	91.95
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Weighted Average (%)	34.35						

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<i>Occupancy Status of the Mortgage Loans as of the Cut-off Date</i>							
Occupancy Status	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Owner-Occupied	105,589	24,543,968,710	96.66	4.060	746	91.91	91.94
Second Home	4,326	811,427,372	3.20	4.068	757	89.56	89.56
Investment Property	289	36,030,734	0.14	4.700	766	84.97	84.97
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

<i>Loan Purpose of the Mortgage Loans</i>							
Loan Purpose	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Purchase	86,548	19,309,167,124	76.05	4.051	745	92.84	92.86
No Cash-Out Refinance	23,278	6,005,268,089	23.65	4.087	752	88.63	88.70
Cash-Out Refinance	378	76,991,603	0.30	4.401	740	84.64	84.64
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

<i>Property Type of the Mortgage Loans as of the Cut-off Date</i>							
Property Type	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1-4 Family Dwelling Unit	64,548	14,223,093,090	56.02	4.047	746	91.78	91.81
PUD	34,312	8,738,426,301	34.41	4.049	745	91.91	91.93
Condo	10,515	2,314,937,268	9.12	4.180	750	91.75	91.78
Manufactured Housing	635	82,508,279	0.32	4.241	743	92.34	92.34
Co-op	194	32,461,878	0.13	4.172	742	89.37	89.37
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

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Connecticut Avenue Securities, Series 2016-C03
 CONFIDENTIAL PRELIMINARY TERM SHEET

Geographic Concentration of the Mortgage Loans

State or Territory	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
California	9,415	3,043,070,625	11.98	4.158	747	90.52	90.57
Texas	9,400	2,078,532,306	8.19	4.038	738	92.48	92.49
Florida	6,517	1,391,100,691	5.48	4.127	738	92.41	92.43
Colorado	4,169	1,100,429,326	4.33	4.098	749	91.37	91.39
Illinois	4,860	1,026,899,347	4.04	4.050	747	91.79	91.87
Washington	3,769	1,002,847,446	3.95	4.053	750	91.85	91.89
Georgia	3,747	846,510,428	3.33	4.007	747	92.34	92.36
Arizona	3,669	827,787,545	3.26	4.137	744	92.15	92.18
Virginia	2,860	818,363,360	3.22	4.071	757	91.10	91.11
North Carolina	3,477	761,211,227	3.00	4.030	749	92.15	92.16
Pennsylvania	3,386	729,587,684	2.87	4.034	748	91.96	91.98
Michigan	3,861	700,256,611	2.76	4.081	745	92.20	92.23
Massachusetts	2,488	690,105,131	2.72	4.092	746	91.22	91.24
Minnesota	3,147	686,516,286	2.70	3.955	752	92.18	92.21
Utah	2,761	659,134,299	2.60	4.033	752	92.00	92.04
Wisconsin	3,568	650,464,699	2.56	3.920	748	92.15	92.21
Maryland	2,194	640,574,388	2.52	4.063	754	91.17	91.26
New Jersey	2,285	639,532,375	2.52	4.073	747	90.63	90.65
Ohio	3,489	604,202,289	2.38	4.040	747	92.61	92.64
Oregon	2,115	528,813,423	2.08	4.080	749	92.00	92.03
New York	1,877	473,072,287	1.86	4.053	749	91.14	91.16
Tennessee	2,122	440,147,542	1.73	4.032	748	92.36	92.37
Missouri	2,352	438,721,831	1.73	3.999	748	92.07	92.10
South Carolina	2,001	412,214,435	1.62	4.046	746	92.28	92.32
Indiana	2,350	405,225,848	1.60	4.048	743	92.40	92.41
Nevada	1,440	336,432,033	1.32	4.203	735	92.25	92.26
Louisiana	1,378	286,995,235	1.13	4.036	738	92.52	92.55
Alabama	1,425	282,245,242	1.11	4.076	746	92.59	92.61
Oklahoma	1,433	276,341,968	1.09	4.004	743	92.37	92.38
Connecticut	970	239,918,500	0.94	3.916	749	91.75	91.77
Idaho	1,227	236,534,544	0.93	3.968	741	92.90	92.95
Iowa	1,372	227,541,494	0.90	3.890	747	92.33	92.37
Nebraska	1,133	197,441,173	0.78	3.905	746	92.43	92.48
Kansas	993	192,696,688	0.76	4.006	744	92.44	92.45
Kentucky	956	176,512,046	0.70	4.137	747	92.11	92.13
Arkansas	777	139,749,914	0.55	3.973	744	92.99	93.01
New Mexico	688	138,894,089	0.55	4.093	743	92.37	92.40
Mississippi	598	111,577,793	0.44	3.988	739	92.10	92.11
New Hampshire	457	110,037,720	0.43	4.040	750	91.69	91.71
Hawaii	263	105,101,102	0.41	4.118	746	90.77	90.77
Montana	447	97,689,872	0.38	3.970	746	91.85	91.85
Delaware	372	91,909,132	0.36	4.070	752	91.48	91.50
District of Columbia	217	82,197,802	0.32	4.116	764	90.37	90.37
South Dakota	433	78,554,324	0.31	3.895	752	92.20	92.20
Wyoming	331	76,924,978	0.30	3.935	739	92.32	92.34
Rhode Island	237	55,434,056	0.22	4.053	751	91.67	91.69
Maine	251	54,067,861	0.21	4.038	748	91.65	91.65
North Dakota	237	53,315,583	0.21	3.994	739	92.28	92.28
Alaska	174	48,673,420	0.19	3.972	744	92.22	92.22
Vermont	178	38,445,211	0.15	4.014	744	92.04	92.12
West Virginia	177	31,101,154	0.12	4.074	740	91.62	91.62
Puerto Rico	159	29,122,498	0.11	3.848	757	92.97	92.97
Guam	2	649,957	*	3.711	746	92.82	92.82
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

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

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Geographic Concentration of the Mortgage Loans (Top 10 Metropolitan Statistical Areas ("MSA"))*							
Top 10 MSAs	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Non Metro	8,877	1,550,101,461	6.10	4.025	743	91.97	91.99
Los Angeles-Long Beach-Anaheim, CA	2,447	908,717,061	3.58	4.179	752	89.83	89.88
Chicago-Naperville-Elgin, IL-IN-WI	3,900	894,091,853	3.52	4.068	748	91.69	91.76
New York-Newark-Jersey City, NY-NJ-PA	2,772	839,885,739	3.31	4.074	748	90.47	90.48
Washington-Arlington-Alexandria, DC-VA-MD-WV	2,431	825,563,424	3.25	4.088	758	90.60	90.64
Dallas-Fort Worth-Arlington, TX	3,265	752,615,371	2.96	4.044	740	92.39	92.41
Atlanta-Sandy Springs-Roswell, GA	2,889	681,704,600	2.68	4.008	747	92.30	92.33
Denver-Aurora-Lakewood, CO	2,471	671,421,295	2.64	4.102	749	91.20	91.22
Phoenix-Mesa-Scottsdale, AZ	2,861	669,764,446	2.64	4.138	744	92.23	92.26
Seattle-Tacoma-Bellevue, WA	2,073	618,064,929	2.43	4.051	752	91.49	91.52
Other	76,218	16,979,496,637	66.87	4.054	746	92.02	92.05
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

*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.

Geographic Concentration of the Mortgaged Properties (Top 10 Zip Codes)							
Top 10 Zip Codes	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
80134	127	39,791,056	0.16	4.051	742	90.05	90.09
84095	124	37,153,752	0.15	4.086	750	91.33	91.33
84043	128	34,466,439	0.14	4.051	753	91.72	91.72
75070	122	33,465,113	0.13	3.940	744	92.28	92.28
84096	103	29,842,400	0.12	4.082	745	92.01	92.01
30040	114	29,729,596	0.12	3.955	750	91.76	91.76
85383	96	29,000,637	0.11	4.087	744	92.68	92.68
98012	78	28,403,963	0.11	3.998	753	91.04	91.07
80504	94	26,813,111	0.11	4.075	749	92.03	92.03
77494	86	26,483,995	0.10	4.032	737	91.86	91.86
Other	109,132	25,076,276,754	98.76	4.061	746	91.82	91.85
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

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<i>Original Term to Maturity of the Mortgage Loans</i>							
Original Term to Maturity (months)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
300 - 319	37	8,169,014	0.03	4.163	761	88.84	88.84
320 - 339	148	37,165,094	0.15	4.201	757	88.59	88.71
340 - 359	194	48,320,031	0.19	4.169	757	89.00	89.03
360 or greater	109,825	25,297,772,677	99.63	4.060	746	91.83	91.86
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
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 (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
290 - 300	4	871,609	*	4.036	795	88.76	88.76
301 or greater	110,200	25,390,555,207	100.00	4.061	746	91.82	91.85
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Weighted Average (months)	350						

*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 (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Wells Fargo Bank, N.A.	15,435	3,596,204,575	14.16	4.050	751	91.74	91.76
Quicken Loans Inc.	6,283	1,474,557,500	5.81	4.268	751	90.33	90.37
Flagstar Bank, FSB	2,078	517,242,186	2.04	4.133	742	91.86	91.87
Franklin American Mortgage Company	2,179	495,371,619	1.95	4.051	746	91.92	91.93
JPMorgan Chase Bank, N.A.	1,794	465,166,660	1.83	4.110	755	90.83	90.87
Ditech Financial LLC	1,902	452,432,521	1.78	4.112	744	91.24	91.27
Stearns Lending, LLC	1,722	441,146,947	1.74	4.111	741	91.53	91.55
Academy Mortgage Corporation	1,752	426,181,748	1.68	4.119	746	92.38	92.40
SunTrust Mortgage Inc.	1,466	391,282,545	1.54	3.902	754	91.33	91.35
Nationstar Mortgage, LLC	1,371	352,859,876	1.39	4.035	750	91.45	91.51
Other	74,222	16,778,980,638	66.08	4.042	745	92.02	92.05
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

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<i>Servicers of the Mortgage Loans</i>							
Servicer	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Wells Fargo Bank, N.A.	15,435	3,596,204,575	14.16	4.050	751	91.74	91.76
Pingora Loan Servicing, LLC	7,324	1,829,683,525	7.21	4.071	747	91.90	91.93
Quicken Loans Inc.	6,283	1,474,557,500	5.81	4.268	751	90.33	90.37
Ditech Financial LLC	3,041	703,363,547	2.77	4.117	744	91.65	91.68
Nationstar Mortgage, LLC	2,624	623,403,763	2.46	4.042	749	91.81	91.85
Roundpoint Mortgage Servicing Corporation	2,229	546,546,016	2.15	4.179	739	92.24	92.24
Franklin American Mortgage Company	2,179	495,371,619	1.95	4.051	746	91.92	91.93
JPMorgan Chase Bank, N.A.	1,794	465,166,660	1.83	4.110	755	90.83	90.87
Freedom Mortgage Corp.	1,578	413,942,449	1.63	4.039	752	91.28	91.30
Flagstar Bank, FSB	1,602	400,471,597	1.58	4.188	739	91.87	91.88
Other	66,115	14,842,715,564	58.46	4.031	745	92.01	92.04
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

<i>Origination Channel of the Mortgage Loans</i>							
Origination Channel	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Retail	67,302	15,322,667,319	60.35	4.050	746	91.81	91.84
Correspondent	33,365	7,610,476,753	29.97	4.061	746	91.99	92.03
Broker	9,537	2,458,282,743	9.68	4.126	747	91.36	91.38
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

<i>Mortgage Loans with Subordinate Financing at Origination</i>							
Mortgage Loans with Subordinate Financing at Origination	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	109,568	25,260,392,928	99.48	4.060	746	91.84	91.84
Yes	636	131,033,887	0.52	4.223	741	87.17	92.82
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

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<i>First Payment Date of the Mortgage Loans</i>							
First Payment Date	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
January 2015	218	52,074,067	0.21	4.340	751	91.40	91.54
February 2015	957	218,993,431	0.86	4.333	743	91.32	91.51
March 2015	4,451	973,803,158	3.84	4.176	745	91.76	91.82
April 2015	19,443	4,562,358,113	17.97	4.027	747	91.38	91.41
May 2015	29,153	6,777,755,563	26.69	4.044	747	91.72	91.75
June 2015	26,945	6,170,453,719	24.30	4.073	746	91.98	92.01
July 2015	21,572	4,950,284,776	19.50	4.039	746	92.04	92.07
August 2015	7,465	1,685,703,988	6.64	4.129	745	92.28	92.30
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

<i>Maturity Date of the Mortgage Loans</i>							
Maturity Date (year)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
2040	3	534,181	*	3.979	791	86.72	86.72
2041	34	7,634,833	0.03	4.176	759	88.98	88.98
2042	57	14,856,478	0.06	4.151	760	88.86	88.98
2043	108	27,105,975	0.11	4.185	756	88.47	88.56
2044	393	95,135,086	0.37	4.274	754	90.31	90.40
2045	109,609	25,246,160,263	99.43	4.060	746	91.83	91.86
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

*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 (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	64,624	15,752,082,785	62.04	4.053	750	90.90	90.94
Yes	45,580	9,639,344,030	37.96	4.074	741	93.32	93.34
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

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Connecticut Avenue Securities, Series 2016-C03
CONFIDENTIAL PRELIMINARY TERM SHEET

Number of Borrowers

Number of Borrowers	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1	57,839	12,310,748,717	48.48	4.073	750	91.95	91.98
2 or more	52,365	13,080,678,098	51.52	4.050	743	91.70	91.73
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

Number of Units

Number of Units	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1	109,880	25,310,183,390	99.68	4.060	746	91.84	91.87
2	310	78,005,836	0.31	4.177	753	86.12	86.17
3	13	3,022,016	0.01	4.173	742	90.89	91.13
4	1	215,574	*	4.500	753	95.00	95.00
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

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

Mortgage Insurance

Mortgage Insurance	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
6	110	21,554,800	0.08	4.031	734	84.12	85.05
12	12,963	3,201,700,422	12.61	4.043	750	84.41	84.56
13	1	189,810	*	4.125	760	90.00	90.00
16	813	158,594,787	0.62	4.172	728	94.63	94.84
17	3	421,857	*	3.905	758	89.38	89.38
18	1,253	216,031,899	0.85	4.173	736	96.95	96.96
20	11	2,179,114	0.01	4.102	755	90.23	90.23
25	33,214	8,197,061,425	32.28	4.039	750	89.50	89.52
28	1	182,420	*	3.750	716	95.00	95.00
30	57,310	12,759,651,225	50.25	4.065	745	94.72	94.73
35	4,525	833,859,057	3.28	4.223	731	96.99	96.99
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

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

This is a Confidential Preliminary Term Sheet. All Terms and statements are subject to change.



<i>Mortgage Insurance Cancellation Indicator</i>							
Mortgage Insurance Cancellation	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	109,380	25,224,421,563	99.34	4.062	746	91.83	91.86
Yes	824	167,005,253	0.66	3.912	761	90.75	90.76
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

<i>Mortgage Insurance (Lender- or Borrower-Paid)</i>							
Mortgage Insurance (Lender- or Borrower-paid)	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Borrower-Paid	88,040	19,518,485,618	76.87	3.999	744	91.98	92.01
Lender-Paid	22,164	5,872,941,198	23.13	4.266	755	91.28	91.32
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

<i>Delinquency Status of the Mortgage Loans as of the Cut-off Date</i>							
Delinquency Status	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Current	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

<i>Historical Delinquency of the Mortgage Loans Since Acquisition*</i>							
Delinquency Status Since Acquisition*	Number of Mortgage Loans	Unpaid Principal Balance (\$)	Unpaid Principal Balance (%)	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Never Delinquent	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85
Total:	110,204	25,391,426,816	100.00	4.061	746	91.82	91.85

* Mortgage Loans Acquired by Fannie Mae during the period from March 1, 2015 through June 30, 2015.

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