

\$107,825,397
Federal National Mortgage Association



Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1993-246

The Guaranteed REMIC Pass-Through Certificates offered hereby (the "Certificates") will represent beneficial ownership interests in Fannie Mae REMIC Trust 1993-246 (the "Trust"). The assets of the Trust will consist of (i) a single "principal only" Fannie Mae Stripped Mortgage-Backed Security (the "Trust SMBS") evidencing the beneficial ownership interests in certain principal distributions made in respect of certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates ("MBS") held in the form of a Fannie Mae Guaranteed MBS Pass-Through Certificate (a "Mega Certificate") and included in Fannie Mae Stripped Mortgage-Backed Security Trust 000250-CL and (ii) certain of the Class 50-SA, Class 150-FQ, Class 21-SA, Class 216-D and Class 216-DA REMIC Certificates (collectively, the "Underlying REMIC Certificates") evidencing respective beneficial ownership interests in Fannie Mae REMIC Trust 1992-50, Fannie Mae REMIC Trust 1992-150, Fannie Mae REMIC Trust 1993-21 and Fannie Mae REMIC Trust 1993-216 ("Trust 1992-50," "Trust 1992-150," "Trust 1993-21" and "Trust 1993-216," respectively, and collectively, the "Underlying REMIC Trusts"). The assets of each Underlying REMIC Trust evidence the direct or indirect beneficial ownership interest in certain MBS having the characteristics described herein. Each MBS underlying the Trust SMBS and the Underlying REMIC Certificates will represent a beneficial ownership interest in a pool (the "Pool") of first lien, single-family, fixed-rate residential mortgage loans (the "Mortgage Loans") having the characteristics described herein.

The Certificates will be issued and guaranteed as to timely distribution of principal and, to the extent set forth herein, interest by Fannie Mae and offered by Fannie Mae pursuant to its Prospectus for Guaranteed Mortgage Pass-Through Certificates (the "MBS Prospectus"), its Prospectus for Stripped Mortgage-Backed Securities (the "SMBS Prospectus") and its Prospectus for Guaranteed MBS Pass-Through Certificates (the "Mega Prospectus"), each available as described herein, and its Prospectus for Guaranteed REMIC Pass-Through Certificates (the "REMIC Prospectus") and its Prospectus Supplements for Trust 1992-50, Trust 1992-150, Trust 1993-21 and Trust 1993-216 (the "1992-50 Prospectus Supplement," the "1992-150 Prospectus Supplement," the "1993-21 Prospectus Supplement" and the "1993-216 Prospectus Supplement," respectively, and collectively the "Underlying Prospectuses") accompanying this Prospectus Supplement.

THE CERTIFICATES MAY NOT BE SUITABLE INVESTMENTS FOR ALL INVESTORS. NO INVESTOR SHOULD PURCHASE CERTIFICATES UNLESS SUCH INVESTOR UNDERSTANDS AND IS ABLE TO BEAR THE PREPAYMENT, YIELD, LIQUIDITY AND OTHER RISKS ASSOCIATED WITH SUCH CERTIFICATES. SEE "DESCRIPTION OF THE CERTIFICATES—PREPAYMENT CONSIDERATIONS AND RISKS" AND "—YIELD CONSIDERATIONS" HEREIN.

An election will be made to treat the Trust as a "real estate mortgage investment conduit" ("REMIC") pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). The R Class will be subject to transfer restrictions. See "Description of the Certificates—Characteristics of the R Class" and "Certain Additional Federal Income Tax Consequences" herein, and "Description of the Certificates—Additional Characteristics of Residual Certificates" and "Certain Federal Income Tax Consequences" in the REMIC Prospectus.

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THE CERTIFICATES, TOGETHER WITH ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES. THE OBLIGATIONS OF FANNIE MAE UNDER ITS GUARANTY OF THE CERTIFICATES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND DO NOT CONSTITUTE AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF OTHER THAN FANNIE MAE. THE CERTIFICATES ARE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933 AND ARE "EXEMPTED SECURITIES" WITHIN THE MEANING OF THE SECURITIES EXCHANGE ACT OF 1934.

Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	Final Distribution Date
F	\$107,825,397	(2)	(3)	FLT	October 2023
R(4)	0	NPR	0	EXE	October 2023

- (1) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus and "Description of the Certificates—Distributions of Interest" and "—Distributions of Principal" herein.
- (2) The F Class will be entitled to receive the entire Principal Distribution Amount on each Distribution Date until the principal balance thereof is reduced to zero. See "Description of the Certificates—Distributions of Principal" herein.
- (3) The F Class will bear interest based on "LIBOR," as described under "Description of the Certificates—Distributions of Interest" herein and "Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes" in the REMIC Prospectus and will be entitled to receive the entire Interest Distribution Amount (as defined herein) on each Distribution Date.
- (4) The R Class will be entitled to receive the proceeds of the remaining assets of the Trust, if any, after the principal balance of the F Class has been reduced to zero and any unpaid carry forward interest deficiency (together with any accrued and unpaid interest thereon) has been paid in full. See "Description of the Certificates—Characteristics of the R Class" herein.

The Certificates will be offered by Kidder, Peabody & Co. Incorporated (the "Dealer") from time to time in negotiated transactions, at varying prices to be determined at the time of sale.

The Certificates will be offered by the Dealer, subject to issuance by Fannie Mae and to prior sale or to withdrawal or modification of the offer without notice, when, as and if delivered to and accepted by the Dealer, and subject to approval of certain legal matters by counsel. It is expected that the Certificates, except for the R Class, will be available through the book-entry system of the Federal Reserve Banks on or about November 30, 1993 (the "Settlement Date"). It is expected that the R Class in registered, certificated form will be available for delivery at the offices of the Dealer, New York, New York, on or about the Settlement Date.

Kidder, Peabody & Co.
Incorporated

November 12, 1993

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The yield to investors in each Class will be directly related to the level of LIBOR and, among other things, the rate of distributions on the Trust SMBS and the Underlying REMIC Certificates, which in turn will be sensitive in varying degrees to the rate of principal payments of the Mortgage Loans, the characteristics of the Mortgage Loans included in the related Pools and the priority sequences affecting principal distributions on the Underlying REMIC Certificates. Such yields will also be sensitive to the amount of Excess Interest (as defined herein) available for distribution and the purchase price paid for the related Class. Accordingly, investors should consider the following risks:

- The Mortgage Loans generally may be prepaid at any time without penalty, and, accordingly, the rate of principal payments thereon is likely to vary considerably from time to time.
- Slight variations in Mortgage Loan characteristics could substantially affect the weighted average lives and yields of either or both of the Classes.
- In the case of any Certificates purchased at a discount to their principal amounts, a slower than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Certificates purchased at a premium to their principal amounts, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- The yield on the Certificates will be sensitive to the level of the LIBOR. Under certain circumstances of increased LIBOR levels, the Interest Distribution Amount may not be sufficient to pay the full amount of interest accrued on the F Class at the LIBOR based formula rate. Any such deficiency on a particular Distribution Date will be carried forward, with interest, to subsequent Distribution Dates. If an unpaid carry forward interest deficiency remains on the Distribution Date upon which the principal balance of the F Class is reduced to zero, all distributions on any Trust SMBS and Underlying REMIC Certificates remaining in the Trust will thereafter be applied to the payment of any such unpaid carry forward interest deficiency (together with any accrued and unpaid interest thereon) before any distributions are made to the R Class. Once the principal balance of the Trust SMBS and the respective principal balances and notional principal balance of the Underlying REMIC Certificates have been reduced to zero, Holders of the F Class will have no future entitlement to any unpaid carry forward interest deficiency or interest thereon.
- The relationship among the various factors that affect the availability of principal and interest distributions, and correspondingly, the yield on the Certificates, is complex, and an investment in the Certificates should only be made by persons familiar with the analysis of mortgage loan prepayment rates and mortgage-backed securities structures.

See “Description of the Certificates—Prepayment Considerations and Risks” and “—Yield Considerations” herein.

In addition, investors should purchase Certificates only after considering the following:

- The rate of distributions of the Certificates is uncertain and investors may be unable to reinvest the distributions thereon at yields equaling the yields on the Certificates. See “Description of the Certificates—Reinvestment Risk” in the REMIC Prospectus.
- Each of the Class 50-SA, Class 150-FQ and Class 21-SA REMIC Certificates included in the Trust is an “Interest Only” Certificate with either a nominal or notional principal balance. Such nominal or notional principal balances may be reduced to zero prior to (and possibly substantially prior to) the reduction of the principal balances of the Trust SMBS and the Class 216-D and Class 216-DA REMIC Certificates to zero.
- The Class 216-D and Class 216-DA REMIC Certificates included in the Trust are “Targeted Principal REMIC Certificates” and are not scheduled to receive principal payments in accordance with their Principal Balance Schedules until the Distribution Dates in March 1998 and October 1998, respectively.
- The actual final payment of the F Class will likely occur earlier, and could occur much earlier, than the Final Distribution Date for such Class specified on the cover page. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the REMIC Prospectus.
- Investors whose investment activities are subject to legal investment laws and regulations or to review by regulatory authorities may be subject to restrictions on investment in certain Classes of the Certificates. Investors should consult their legal advisors to determine whether and to what extent the Certificates constitute legal investments or are subject to restrictions on investment. See “Legal Investment Considerations” in the REMIC Prospectus.

The Dealer intends to make a market for the Certificates but is not obligated to do so. There can be no assurance that such a secondary market will develop or, if developed, that it will continue. Thus, investors may not be able to sell their Certificates readily or at prices that will enable them to realize their anticipated yield. No investor should purchase Certificates unless such investor understands and is able to bear the risk that the value of the Certificates will fluctuate over time and that the Certificates may not be readily salable.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission nor has the Securities and Exchange Commission or any state securities commission passed upon the accuracy or adequacy of this Prospectus Supplement, the SMBS Prospectus, the Mega Prospectus, the MBS Prospectus, the Underlying Prospectuses or the REMIC Prospectus. Any representation to the contrary is a criminal offense.

This Prospectus Supplement does not contain complete information about the Certificates. Investors should purchase Certificates only after reading this Prospectus Supplement, the REMIC Prospectus, the MBS Prospectus dated October 1, 1993, the SMBS Prospectus dated December 1, 1992, the Mega Prospectus dated December 1, 1992, the Underlying Prospectuses and the Fannie Mae Information Statement dated February 16, 1993 and any supplements thereto (the “Information Statement”). The MBS Prospectus, the SMBS Prospectus, the Mega Prospectus and the Information Statement are incorporated herein by reference and may be obtained from Fannie Mae by writing or calling its MBS Helpline at 3900 Wisconsin Avenue, N.W., Area 2H-2N, Washington, D.C. 20016 (telephone 1-800-BEST-MBS or 202-752-6547). Such documents may also be obtained from Kidder Peabody & Co. Incorporated by writing or calling its Prospectus Department at 60 Broad Street, 6th Floor, New York, New York 10006 (telephone 212-656-1584).

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DESCRIPTION OF THE CERTIFICATES

The following summaries describing certain provisions of the Certificates do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the REMIC Prospectus, the MBS Prospectus, the SMBS Prospectus, the Mega Prospectus, the Underlying Prospectuses and the provisions of the Trust Agreement (defined below). Capitalized terms used and not otherwise defined in this Prospectus Supplement have the respective meanings assigned to such terms in the REMIC Prospectus (including the Glossary contained therein), the MBS Prospectus, the SMBS Prospectus, the Mega Prospectus, the Underlying Prospectuses or the Trust Agreement (as the context may require).

General

Structure. The Trust will be created pursuant to a trust agreement dated as of September 1, 1987, as supplemented by an issue supplement thereto dated as of November 1, 1993 (together, the “Trust Agreement”), executed by the Federal National Mortgage Association (“Fannie Mae”) in its corporate capacity and in its capacity as Trustee, and the Certificates in the Classes and aggregate original principal balances set forth on the cover hereof will be issued by Fannie Mae pursuant thereto. A description of Fannie Mae and its business, together with certain financial statements and other financial information, is contained in the Information Statement.

The F Class will be designated as the “regular interest” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust.

The assets of the Trust will consist of the Trust SMBS and the Underlying REMIC Certificates (which evidence direct or indirect beneficial ownership interests in the Underlying REMIC Trusts).

SMBS Distributions. The Trust SMBS will provide that certain principal payments on the underlying MBS will be passed through monthly, commencing on the 25th day of the month following the month of the initial issuance of the SMBS (or, if such 25th day is not a business day, on the first business day next succeeding such 25th day).

Fannie Mae Guaranty. Fannie Mae guarantees to the Holders of Certificates (i) distribution on each Distribution Date of the Principal Distribution Amount and the Interest Distribution Amount, in each case calculated as provided herein, and (ii) distribution in full of the principal balance of the F Class no later than the Final Distribution Date, whether or not sufficient funds are available. Fannie Mae’s guaranty does not cover the receipt of any unpaid carry forward interest deficiency (or any interest accrued thereon) once the principal balance of the Trust SMBS and the principal balances and notional principal balance of the respective Underlying REMIC Certificates have been reduced to zero. In such event, Holders of the F Class will have no future entitlement to any such payments. See “Distributions of Interest” herein. Fannie Mae guarantees to each holder of an MBS the timely payment of scheduled installments of principal of and interest on the underlying Mortgage Loans, whether or not received, together with the full principal balance of any foreclosed Mortgage Loan, whether or not received. The guaranty obligations of Fannie Mae with respect to the Trust SMBS and the related Mega Certificate are described in the SMBS Prospectus and Mega Prospectus, respectively. The guaranty obligations of Fannie Mae with respect to the Underlying REMIC Certificates are described in the Underlying Prospectuses.

The guaranties of Fannie Mae are not backed by the full faith and credit of the United States. See “Description of the Certificates—Fannie Mae’s Guaranty” in the REMIC Prospectus, “The SMBS Certificates—Fannie Mae Obligations” in the SMBS Prospectus, “The Certificates—Fannie Mae’s Guaranty” in the Mega Prospectus, “Description of Certificates—The Corporation’s Guaranty” in the MBS Prospectus, “Description of the REMIC Certificates—General—*Fannie Mae Guaranty*” in the 1992-50 and 1992-150 Prospectus Supplements and “Description of the Certificates—General—*Fannie Mae Guaranty*” in the 1993-21 and 1993-216 Prospectus Supplements.

Characteristics of Certificates. The F Certificates will be issued through the book-entry system of the Federal Reserve Banks and shall be maintained in that system for so long as they are eligible. In

the event that the monthly interest rate on the F Certificates exceeds the eligibility limits of that system, they shall be maintained in another book-entry system or in certificated form.

The F Certificates may be transferred by Holders only on the book-entry system of the Federal Reserve Banks for so long as they are maintained on such system. Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts the Certificates of such Class have been deposited are herein referred to as “Holders” or “Certificate-holders.” A Holder is not necessarily the beneficial owner of a book-entry Certificate. Beneficial owners will ordinarily hold book-entry Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of the Certificates—Denominations, Book-Entry Form” in the REMIC Prospectus.

The R Certificates will not be issued in book-entry form but will be issued in fully registered, certificated form. As to an R Certificate, “Holder” or “Certificateholder” refers to the registered owner thereof. The R Certificates will be transferable and, if applicable, exchangeable at the corporate trust office of the Transfer Agent, or at the agency of the Transfer Agent in New York, New York. The Transfer Agent initially will be State Street Bank and Trust Company in Boston, Massachusetts (“State Street”). A service charge may be imposed for any registration of transfer or, if applicable, exchange of the R Certificates and Fannie Mae may require payment of a sum sufficient to cover any tax or other governmental charge. See also “Characteristics of the R Class” herein.

The distribution to the Holders of the R Certificates of the proceeds of any remaining assets of the Trust will be made only upon presentation and surrender of the respective Certificates at the office of the Paying Agent. The Paying Agent initially will be State Street.

Authorized Denominations. The F Certificates will be issued in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof. The R Certificates will be issued in minimum percentage interests of 10% and integral multiples of 1% percentage interests in excess thereof.

Distribution Dates. Distributions on the Certificates will be made on the 25th day of each month (or, if such 25th day is not a business day, on the first business day next succeeding such 25th day), commencing in the month following the Settlement Date.

Calculation of Distributions. Interest on the F Class is calculated on the basis of a 360-day year consisting of twelve 30-day months and is distributable monthly on each Distribution Date, commencing in the month after the Settlement Date. Interest to be distributed on the F Class on a Distribution Date will be in an amount (the “Interest Distribution Amount”) equal to the lesser of (a) the sum of (i) one month’s interest on the outstanding principal balance of the F Class immediately prior to such Distribution Date, (ii) any unpaid carry forward interest deficiency (as defined herein) and (iii) interest, if any, accrued on a compounded basis and unpaid on any such unpaid carry forward interest deficiency and (b) the sum of (i) the aggregate distributions of interest concurrently made on the Class 50-SA, Class 150-FQ and Class 21-SA REMIC Certificates and (ii) the aggregate distributions of principal concurrently made on the Trust SMBS and the Underlying REMIC Certificates following the reduction of the principal balance of the F Class to zero. Interest will accrue on the F Class during the one month periods set forth herein under “Distributions of Interest—Interest Accrual Periods.” In the event that the Interest Distribution Amount for any Distribution Date is less than the interest accrued on the principal balance of the F Class during the preceding Interest Accrual Period, such deficiency will accrue interest during each Interest Accrual Period thereafter, at the per annum interest rate applicable to the F Class from time to time, to the extent such deficiency remains unpaid on a subsequent Distribution Date.

Principal on the F Class will be distributed on each Distribution Date in an amount equal to the sum of (i) the aggregate distributions of principal concurrently made on the Trust SMBS and the Underlying REMIC Certificates and (ii) the amount by which the aggregate distributions of interest concurrently made on the Class 50-SA, Class 150-FQ and Class 21-SA REMIC Certificates exceeds the sum of (a) the interest accrued on the F Class during the preceding Interest Accrual Period, (b) any unpaid carry forward interest deficiency and (c) interest, if any, accrued on a compounded

basis and unpaid on any such unpaid carry forward interest deficiency (such excess, the “Excess Interest”). See “Distributions of Principal” herein.

Record Date. Each monthly distribution on the Certificates will be made to Holders of record on the last day of the preceding month.

REMIC Trust Factors. As soon as practicable following the eleventh calendar day of each month, Fannie Mae will publish or otherwise make available for the F Class the factor (carried to eight decimal places) which, when multiplied by the original principal balance of a Certificate of such Class, will equal the remaining principal balance of such Certificate after giving effect to the distribution of principal to be made on the following Distribution Date.

Voting the Underlying REMIC Trusts. In the event any issue arises under the trust agreement governing either of the Underlying REMIC Trusts that requires the vote of holders of certificates outstanding thereunder, the Trustee will vote the related Underlying REMIC Certificates in accordance with instructions received from Holders of Certificates having principal balances aggregating not less than 51% of the outstanding principal balance of the F Class. In the absence of such instructions, the Trustee will vote in a manner consistent, in its sole judgment, with the best interests of Certificateholders.

The Trust SMBS

The Trust SMBS will represent principal payments (and no interest payments) on a principal amount of \$96,000,000 of MBS having the general characteristics described in the MBS Prospectus. The MBS underlying the Trust SMBS have a pass-through rate of 7.0% and are held in the form of Mega Certificate CL-190250, the general characteristics of which are described in the Mega Prospectus.

The Mortgage Loans underlying the Trust SMBS will be conventional Level Payment Mortgage Loans secured by a first mortgage or deed of trust on a one- to four-family residential property having an original maturity of up to 30 years, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The characteristics of the Mortgage Loans underlying the Trust SMBS as of November 1, 1993 are expected to be as follows:

Approximate Weighted Average WAC	7.488%
Approximate Weighted Average WAM	357 months
Approximate Weighted Average CAGE	3 months

The Class 50-SA REMIC Certificates

The Class 50-SA REMIC Certificates, which are “Interest Only” certificates, evidence certain of the beneficial ownership interests in Trust 1992-50, the assets of which consist of certain MBS. As of November 1, 1993, the principal balance of the Class 50-SA REMIC Certificates is expected to be \$1,050,665, of which a portion representing a \$642,327 principal balance of the Class 50-SA REMIC Certificates will be included in the Trust. The 50-SA REMIC Certificates bear interest during each Interest Accrual Period, subject to a maximum rate of 1,178% per annum and a minimum rate of 0% per annum, at a rate per annum equal to 1,178% — (124 × LIBOR). See the 1992-50 Prospectus Supplement for a discussion of the general characteristics of the Class 50-SA REMIC Certificates.

The MBS included in Trust 1992-50 have the Pass-Through Rate set forth below and the general characteristics set forth in the MBS Prospectus. The Mortgage Loans underlying such MBS are conventional Level Payment Mortgage Loans secured by a first mortgage or deed of trust on a one-to-four family residential property having an original maturity of up to 15 years, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The characteristics of the

MBS and the Mortgage Loans underlying Trust 1992-50 as of November 1, 1993 are expected to be as follows:

Pass-Through Rate	8.0%
Approximate Weighted Average WAC	8.529%
Approximate Weighted Average WAM	155 months
Approximate Weighted Average CAGE	21 months

The Class 150-FQ REMIC Certificates

The Class 150-FQ REMIC Certificates, which are “Interest Only” certificates, evidence certain of the beneficial ownership interests in Trust 1992-150, the assets of which consist of certain MBS. As of November 1, 1993, the principal balance of the Class 150-FQ REMIC Certificates is expected to be \$1,358,070. All of the Class 150-FQ REMIC Certificates will be included in the Trust. The 150-FQ REMIC Certificates bear interest during each Interest Accrual Period, subject to a maximum rate of 1,519.71428% per annum and a minimum rate of 360.35552% per annum, at a rate per annum equal to 360.35552% + (130.26503 × LIBOR). See the 1992-150 Prospectus Supplement for a discussion of the general characteristics of the Class 150-FQ REMIC Certificates.

The MBS included in Trust 1992-150 will have the Pass-Through Rate set forth below and the general characteristics set forth in the MBS Prospectus. The Mortgage Loans underlying such MBS will be conventional Level Payment Mortgage Loans secured by a first mortgage or deed of trust on a one- to four-family residential property having an original maturity of up to 30 years, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The characteristics of the MBS and the Mortgage Loans underlying Trust 1992-150 as of November 1, 1993 are expected to be as follows:

Pass-Through Rate	8.50%
Approximate Weighted Average WAC	8.966%
Approximate Weighted Average WAM	338 months
Approximate Weighted Average CAGE	18 months

The Class 21-SA REMIC Certificates

The Class 21-SA REMIC Certificates, which are “Interest Only” certificates, evidence certain of the beneficial ownership interests in Trust 1993-21, the assets of which consist of certain MBS. The Class 21-SA REMIC Certificates have no principal balance and bear interest on their notional principal balance. As of November 1, 1993, the notional principal balance of the Class 21-SA REMIC Certificates is expected to be \$234,561,790. All of the Class 21-SA REMIC Certificates will be included in the Trust. The 21-SA REMIC Certificates bear interest during each Interest Accrual Period, subject to a maximum rate of 0.60% per annum and a minimum rate of 0% per annum, at a rate per annum equal to 9.6% – LIBOR. See the 1993-21 Prospectus Supplement for a discussion of the general characteristics of the Class 21-SA REMIC Certificates.

The MBS included in Trust 1993-21 will have the Pass-Through Rate set forth below and the general characteristics set forth in the MBS Prospectus. The Mortgage Loans underlying such MBS are conventional Level Payment Mortgage Loans secured by a first mortgage or deed of trust on a one-to-four family residential property having an original maturity of up to 30 years, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The characteristics of the MBS and the Mortgage Loans underlying Trust 1993-21 as of November 1, 1993 are expected to be as follows:

Pass-Through Rate	8.0%
Approximate Weighted Average WAC	8.415%
Approximate Weighted Average WAM	346 months
Approximate Weighted Average CAGE	12 months

The Class 216-D and Class 216-DA REMIC Certificates

The Class 216-D and Class 216-DA REMIC Certificates, which are “Principal Only” certificates and “Targeted Principal REMIC Certificates,” evidence certain of the beneficial ownership interests in Trust 1993-216, the assets of which consist of certain SMBS (the “1993-216 SMBS”). As of November 1, 1993, the principal balances of the Class 216-D REMIC Certificates and the Class 216-DA REMIC Certificates are expected to be \$13,000,000 and \$2,000,000, respectively. \$7,825,000 principal balance of the Class 216-D REMIC Certificates and all of the Class 216-DA REMIC Certificates will be included in the Trust. See the 1993-216 Prospectus Supplement for a discussion of the general characteristics of the Class 216-D and Class 216-DA REMIC Certificates.

The 1993-216 SMBS represent principal payments (and no interest payments) on a principal amount of \$382,460,269 of MBS having the general characteristics described in the MBS Prospectus. The MBS underlying the 1993-216 SMBS have a Pass-Through Rate of 8.0% and are held in the form of Mega Certificates CL-190203 and CL-190237, the general characteristics of which are described in the Mega Prospectus.

The Mortgage Loans underlying the 1993-216 SMBS are conventional Level Payment Mortgage Loans secured by a first mortgage or deed of trust on a one- to four-family residential property having an original maturity of up to 30 years, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The characteristics of the MBS and the Mortgage Loans underlying the 1993-216 SMBS as of November 1, 1993 are expected to be as follows:

SMBS Trust 000203-CL

Aggregate Unpaid Principal Balance	\$172,978,703
Approximate Weighted Average WAC	8.458%
Approximate Weighted Average WAM	345 months
Approximate Weighted Average CAGE	12 months

SMBS Trust 000237-CL

Aggregate Unpaid Principal Balance	\$209,481,566
Approximate Weighted Average WAC	8.480%
Approximate Weighted Average WAM	344 months
Approximate Weighted Average CAGE	14 months

Final Data Statement

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth, among other things, the current principal balance of the Trust SMBS as of the Issue Date and the current principal balance or notional principal balance, as the case may be, of each of the Underlying REMIC Certificates as of the Issue Date. The Final Data Statement will not accompany this Prospectus Supplement but will be made available by Fannie Mae. To request the Final Data Statement or further information regarding the Trust SMBS and the Underlying REMIC Certificates, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. The contents of the Final Data Statement and other data specific to the Certificates are available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000. It should be noted that there may have been material changes in facts and circumstances since the dates the SMBS Prospectus and the Underlying Prospectuses were prepared, including, but not limited to, changes in prepayment speeds and prevailing interest rates and other economic factors, which may limit the usefulness of the assumptions used in preparing the information set forth in such documents.

Prepayment Considerations and Risks

The rate of distributions of principal of the F Class will be directly related to the rate of principal distributions on the Trust SMBS and the Underlying REMIC Certificates and to Excess Interest,

which in turn will be very sensitive to the rate of payments of principal of the underlying Mortgage Loans. As described in the 1993-216 Prospectus Supplement, the Class 216-D and Class 216-DA REMIC Certificates are subordinate in priority of principal distributions to certain other classes of certificates evidencing beneficial ownership interests in Trust 1993-216 and, accordingly, distributions of principal of the Mortgage Loans underlying Trust 1993-216 may have an exaggerated effect upon distributions of principal of the Class 216-D and Class 216-DA REMIC Certificates. In addition, under certain prepayment scenarios, all principal distributions will be applied to the distribution of principal of certain classes of certificates having priority over the Class 216-D and Class 216-DA REMIC Certificates for an extended period, and, accordingly, distributions of principal in respect of the F Class during such period would be reduced. In addition, as described in the 1993-216 Prospectus Supplement, the Class 216-D and Class 216-DA REMIC Certificates, which are “Targeted Principal REMIC Certificates,” are not scheduled to receive principal payments in accordance with their Principal Balance Schedules until the Distribution Dates in March 1998 and October 1998, respectively, and, accordingly, under certain prepayment scenarios, distributions of principal in respect of the F Class prior to such dates would be reduced.

The amount available for distributions of interest on the F Class will be directly related to the amount of interest distributed on the Class 50-SA, Class 150-FQ and Class 21-SA REMIC Certificates, which in turn will be very sensitive to the rate of payments of principal of the related underlying Mortgage Loans. Each of the Class 50-SA, Class 150-FQ and Class 21-SA REMIC Certificates is an “Interest Only” certificate with either a nominal or notional principal balance. It is possible that such nominal or notional principal balances may be reduced to zero prior to (and possibly substantially prior to) the reduction of the principal balances of the Trust SMBS and Class 216-D and Class 216-DA REMIC Certificates to zero. In such event, the F Class would receive no distributions of interest until the date on which the principal balance thereof is reduced to zero. At such time, any remaining distributions of principal on the Trust SMBS and the Class 216-D and Class 216-DA REMIC Certificates will be applied to any unpaid carry forward interest deficiency (and any accrued and unpaid interest thereon).

Distributions of Interest

Categories of Classes

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

<u>Interest Type*</u>	<u>Classes</u>
Floating Rate	F
Excess	R

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

General. The F Class will bear interest at the per annum interest rate described herein. Interest on the F Class is calculated on the basis of a 360-day year consisting of twelve 30-day months and is distributable monthly on each Distribution Date, commencing in the month after the Settlement Date. Interest to be distributed on the F Class on a Distribution Date will be in an amount (the “Interest Distribution Amount”) equal to the lesser of (a) the sum of (i) one month’s interest on the outstanding principal balance of the F Class immediately prior to such Distribution Date, (ii) any unpaid carry forward interest deficiency (as defined below) and (iii) interest, if any, accrued on a compounded basis and unpaid on any such unpaid carry forward interest deficiency and (b) the sum of (i) the aggregate distributions of interest concurrently made on the Class 50-SA, Class 150-FQ and Class 21-SA REMIC Certificates and (ii) the aggregate distributions of principal concurrently made on the Trust SMBS and the Underlying REMIC Certificates following the reduction of the principal balance of the F Class to zero.

On each Distribution Date, the Interest Distribution Amount will be applied to the distribution of interest on the F Class as follows:

(i) an amount equal to the interest accrued on the principal balance of the F Class during the immediately preceding Interest Accrual Period;

(ii) an amount equal to the interest, if any, accrued and unpaid on the principal balance of the F Class prior to the immediately preceding Interest Accrual Period that has not been previously paid (a “carry forward interest deficiency”); and

(iii) an amount equal to the interest, if any, accrued on a compounded basis and unpaid on any unpaid carry forward interest deficiency during each Interest Accrual Period as to which such carry forward interest deficiency remained unpaid to the Distribution Date on which such carry forward interest deficiency is paid, at the per annum rate in effect from time to time with respect to the F Class.

Interest Accrual Periods. Interest to be distributed on a Distribution Date will accrue on the F Class during the one-month periods set forth below (an “Interest Accrual Period”).

<u>Class</u>	<u>Interest Accrual Period</u>
F	One month period beginning on the 25th day of the month preceding the month of the Distribution Date and ending on the 24th day of the month of the Distribution Date

Floating Rate Class. The F Class will bear interest during its initial Interest Accrual Period at the Initial Interest Rate set forth below, and will bear interest during each Interest Accrual Period thereafter, subject to the applicable Maximum and Minimum Interest Rates, at the rate determined as described below:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
F	4.9375%	11.00%	1.75%	LIBOR + 175 basis points

The yield with respect to such Class will be affected by changes in LIBOR, which changes may not correlate with changes in mortgage interest rates. It is possible that lower mortgage interest rates could occur concurrently with an increase in the level of LIBOR. Conversely, higher mortgage interest rates could occur concurrently with a decrease in the level of LIBOR. Under certain circumstances of increased LIBOR levels, the Interest Distribution Amount may not be sufficient to pay the full amount of interest accrued on the F Class at the LIBOR based formula rate. Any such unpaid carry forward interest deficiency on a particular Distribution Date will be carried forward, with interest, to subsequent Distribution Dates. If an unpaid carry forward interest deficiency remains on the Distribution Date upon which the principal balance of the F Class is reduced to zero, all distributions on any Trust SMBS and Underlying REMIC Certificates remaining in the Trust will be applied to the payment of any such unpaid carry forward interest deficiency (together with any accrued and unpaid interest thereon) on such date and each Distribution Date thereafter before any distributions are made to the R Class. Once the principal balance of the Trust SMBS and the respective principal balances and notional principal balance of the Underlying REMIC Certificates have been reduced to zero, Holders of the F Class will have no future entitlement to any unpaid carry forward interest deficiency (or any accrued and unpaid interest thereon).

Each LIBOR value will be established as described herein by Fannie Mae two business days prior to the commencement of the related Interest Accrual Period. The establishment of each LIBOR value by Fannie Mae and Fannie Mae’s determination of the rate of interest for the F Class for the related Interest Accrual Period shall (in the absence of manifest error) be final and binding. Each such rate of interest may be obtained by telephoning Fannie Mae at 1-800-BEST-MBS or 202-752-6547.

Calculation of LIBOR

On each LIBOR Determination Date, Fannie Mae will establish LIBOR for the related Interest Accrual Period in the manner described in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—LIBOR.”

If on the initial LIBOR Determination Date, Fannie Mae is unable to determine LIBOR in the manner specified in the REMIC Prospectus, LIBOR for the next succeeding Interest Accrual Period will be 3.1875%.

Distributions of Principal

Categories of Classes

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

<u>Principal Type</u>	<u>Classes</u>
(1)	F
No Payment Residual(2)	R

(1) The F Class will be entitled to receive the entire Principal Distribution Amount on each Distribution Date until the principal balance thereof is reduced to zero.

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

Principal Distribution Amount

Principal will be distributed monthly on the F Class in an amount (the “Principal Distribution Amount”) equal to the sum of (i) the aggregate distributions of principal concurrently made on the Trust SMBS and the Underlying REMIC Certificates and (ii) the amount by which the aggregate distributions of interest concurrently made on the Class 50-SA, Class 150-FQ and Class 21-SA REMIC Certificates exceeds the sum of (x) the interest accrued on the F Class during the preceding Interest Accrual Period, (y) any unpaid carry forward interest deficiency and (z) interest, if any, accrued on a compounded basis and unpaid on any such unpaid carry forward interest deficiency (such excess, the “Excess Interest”).

On each Distribution Date, the Principal Distribution Amount will be distributed as principal of the F Class until the principal balance thereof is reduced to zero.

Structuring Assumptions

Pricing Assumptions. Unless otherwise specified, the information in the tables in this Prospectus Supplement has been prepared on the basis of the actual characteristics of the Mortgage Loans underlying the Trust SMBS and the Underlying REMIC Certificates and the priority sequences affecting the principal distributions on the Underlying REMIC Certificates and the following assumptions (the “Pricing Assumptions”):

- the Mortgage Loans prepay at the *constant* percentages of PSA specified in the related table;
- the closing date for the sale of the Certificates is the Settlement Date; and
- the first Distribution Date for the Certificates occurs in the month following the Settlement Date.

PSA Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this Prospectus Supplement is the Public Securities Association’s standard prepayment model (“PSA”). To assume a specified rate of PSA (for example, 500% PSA) is to assume a specified rate of prepayment each month of the then outstanding principal balance of a pool of new mortgage loans computed as described under

“Description of the Certificates—Prepayment Considerations and Risks” in the REMIC Prospectus. There is no assurance that prepayments will occur at any PSA rate or at any other constant rate.

Characteristics of the R Class

The R Certificates will not have principal balances and will not bear interest. The Holders of the R Class will be entitled to receive the proceeds of the remaining assets of the Trust, if any, after (i) the principal balance of the F Class has been reduced to zero and (ii) any unpaid carry forward interest deficiency and accrued and unpaid interest thereon have been paid in full.

The R Class will be subject to certain transfer restrictions. No transfer of record or beneficial ownership of an R Certificate will be allowed to a “disqualified organization.” In addition, no transfer of record or beneficial ownership of an R Certificate will be allowed to any person that is not a “U.S. Person” without the written consent of Fannie Mae. Under regulations issued by the Treasury Department on December 23, 1992 (the “Regulations”), a transfer of a “noneconomic residual interest” to a U.S. Person will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. Any transferee of an R Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 on which the transferee provides its taxpayer identification number. See “Description of the Certificates—Additional Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the REMIC Prospectus. Transferees of an R Certificate should consult with their own tax advisors for further information regarding such transfers.

The Holders of the R Class will be considered to be the holders of the “residual interest” in the REMIC constituted by the Trust. See “Certain Federal Income Tax Consequences” in the REMIC Prospectus. Pursuant to the Trust Agreement, Fannie Mae will be obligated to provide to such Holders (i) such information as is necessary to enable them to prepare their federal income tax returns and (ii) any reports regarding the Certificates that may be required under the Code.

Yield Considerations

There can be no assurance that the Mortgage Loans will have the characteristics assumed herein or will prepay at any of the rates assumed herein or at any other particular rate, that the pre-tax yields on the F Class will correspond to any of the pre-tax yields shown herein or that the aggregate purchase price of the F Class will be as assumed. In addition, there can be no assurance that LIBOR will correspond to the levels shown herein. The rate of distributions of principal of the F Class will be directly related to the rate of principal distributions on the Trust SMBS and the Underlying REMIC Certificates and the amount of Excess Interest, which in turn will be related to the amortization (including prepayments) of the Mortgage Loans underlying the Pools and the priority sequences affecting principal distributions on the Underlying REMIC Certificates. Because the Class 216-D and Class 216-DA REMIC Certificates are subordinate in priority of principal distributions to certain other classes of certificates evidencing beneficial ownership interests in Trust 1993-216, it is possible under certain prepayment scenarios that the Class 216-D and Class 216-DA REMIC Certificates will receive no principal distributions for an extended period. Furthermore, the Class 216-D and Class 216-DA REMIC Certificates, which are “Targeted Principal REMIC Certificates,” are not scheduled to receive principal payments in accordance with their Principal Balance Schedules until the Distribution Dates in March 1998 and October 1998, respectively. It is not likely that the Mortgage Loans will prepay at a constant PSA rate until maturity, that all of such Mortgage Loans will prepay at the same rate or that the level of LIBOR will remain constant.

The yield on the Certificates will be sensitive to the level of LIBOR. Under certain circumstances of increased LIBOR levels, the Interest Distribution Amount may not be sufficient to pay the full amount of interest accrued on the F Class at the LIBOR based formula rate. Although any such deficiency will be carried forward, with interest, to subsequent Distribution Dates, the effective yield

on the F Class may be reduced below the yield otherwise produced because interest payable on a Distribution Date will not be distributed until and unless funds become available.

The timing of changes in the rate of prepayments or the level of LIBOR may significantly affect the actual yield to maturity to investors, even if the average rate of principal prepayments or the average level of LIBOR is consistent with the expectations of investors. In general, the earlier the payment of principal of the Mortgage Loans or change in the level of LIBOR, the greater the effect on an investor's yield to maturity. As a result, the effect on an investor's yield of principal prepayments or the level of LIBOR occurring at a rate or level higher (or lower) than the rate or level anticipated by the investor during the period immediately following the issuance of the Certificates may not be offset by a subsequent like reduction (or increase) in the rate of principal prepayments or level of LIBOR.

The table below indicates the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the F Class to various constant percentages of PSA and to changes in LIBOR. The yields set forth in the table were calculated by determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the F Class, would cause the discounted present value of such assumed streams of cash flows to equal the assumed aggregate purchase price of such Class and converting such monthly rates to corporate bond equivalent rates. Such calculations do not take into account variations that may occur in the interest rates at which investors may be able to reinvest funds received by them as distributions on the Certificates and consequently do not purport to reflect the return on any investment in the Certificates when such reinvestment rates are considered.

The yield to investors in the F Class will be sensitive to the level of LIBOR and to the rate of principal payments (including prepayments) of the Mortgage Loans, which generally can be prepaid at any time.

Changes in LIBOR may not correlate with changes in prevailing mortgage interest rates. It is possible that lower prevailing mortgage interest rates, which might be expected to result in faster prepayments, could occur concurrently with an increased level of LIBOR.

The information in the following table was prepared on the basis of the Pricing Assumptions and the assumptions that (i) the interest rates applicable to the F Class for each Interest Accrual Period subsequent to the initial Interest Accrual Period will be based on the indicated level of LIBOR and (ii) the aggregate purchase price of the F Class (expressed as a percentage of original principal balance) is 100% plus accrued interest.

**Sensitivity of the F Class to Prepayments and LIBOR
(Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>100%</u>	<u>300%</u>	<u>500%</u>	<u>600%</u>	<u>800%</u>
1.1875%	3.0%	3.0%	3.0%	3.0%	3.0%
3.1875%	5.0%	5.0%	5.0%	5.0%	5.0%
5.1875%	7.0%	7.0%	7.0%	7.0%	7.0%
7.1875%	9.0%	9.0%	9.0%	9.0%	8.1%
9.2500%	11.1%	11.1%	10.0%	9.4%	7.9%

Weighted Average Lives of the Certificates

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

Certificate will be influenced by the level of LIBOR, the rate of prepayments of principal of the underlying Mortgage Loans and other factors. See “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the REMIC Prospectus.

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including the level of LIBOR, the timing of changes in the rate of principal payments, the amount of Excess Interest available for distribution on each Distribution Date and the priority sequences of principal distributions on the Underlying REMIC Certificates. See “Distributions of Principal” herein.

The interaction of the foregoing factors may have varying effects at different times during the life of the F Class. Accordingly, no assurance can be given as to the weighted average life of the F Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their respective original principal balances, variability in the weighted average lives of such Certificates could result in variability in the related yields to maturity. For an example of how the weighted average life of the F Class may be affected at various *constant* prepayment rates and levels of LIBOR, see the Decrement Tables below.

Decrement Tables

The following decrement tables indicate the percentages of original principal balance of the F Class that would be outstanding after each of the dates shown at various *constant* PSA levels and LIBOR levels and the corresponding weighted average life of such Class. Such tables have been prepared on the basis of (i) the Pricing Assumptions and (ii) the assumption that the interest rates applicable to the F Class for each Interest Accrual Period subsequent to the initial Interest Accrual Period will be calculated based on the indicated level of LIBOR, except that with respect to the information set forth under 0% PSA it has been assumed that the following principal amounts of Mortgage Loans underlying the Trust SMBS and the respective Underlying REMIC Certificates bear the interest rates and have the original and remaining terms to maturity set forth as follows:

	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Original Term to Maturity</u>	<u>Remaining Term to Maturity</u>
Trust SMBS	\$ 96,000,000	9.5%	360 months	359 months
Trust 1992-50	642,327	10.5%	180 months	161 months
Trust 1992-150	1,358,070	11.0%	360 months	346 months
Trust 1993-21	234,561,790 (*)	10.5%	360 months	352 months
Trust 1993-216:				
SMBS Trust 000203-CL	4,443,640	10.5%	360 months	351 months
SMBS Trust 000237-CL	5,381,360	10.5%	360 months	357 months

* Notional Principal Amount.

It is not likely that (i) all of the underlying Mortgage Loans will have the interest rates, CAGEs or remaining terms to maturity assumed or (ii) the underlying Mortgage Loans will prepay at a *constant* PSA level. In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster principal distributions than indicated in the table at the specified *constant* PSA levels, even if the distributions of the weighted average remaining terms to maturity and CAGEs of the Mortgage Loans are identical to the distributions of the remaining terms to maturity and CAGEs specified in the Pricing Assumptions.

Percent of Original Principal Balance of F Class Outstanding

Date	LIBOR = 1.1875%						LIBOR = 3.1875%					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	300%	500%	600%	800%	0%	100%	300%	500%	600%	800%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100
November 1994	88	87	84	81	79	77	88	87	84	81	80	77
November 1995	77	73	65	57	54	47	77	73	66	59	55	49
November 1996	65	59	46	35	31	23	64	59	48	38	33	25
November 1997	53	46	31	20	16	10	52	46	33	23	19	13
November 1998	42	34	19	7	3	4	39	35	22	10	7	6
November 1999	30	24	9	0	0	0	26	24	12	0	0	*
November 2000	18	14	2	0	0	0	13	14	5	0	0	0
November 2001	7	5	0	0	0	0	0	5	0	0	0	0
November 2002	0	0	0	0	0	0	0	0	0	0	0	0
November 2003	0	0	0	0	0	0	0	0	0	0	0	0
November 2004	0	0	0	0	0	0	0	0	0	0	0	0
November 2005	0	0	0	0	0	0	0	0	0	0	0	0
November 2006	0	0	0	0	0	0	0	0	0	0	0	0
November 2007	0	0	0	0	0	0	0	0	0	0	0	0
November 2008	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	4.3	3.9	3.1	2.5	2.4	2.1	4.1	4.0	3.2	2.6	2.5	2.2

Date	LIBOR = 5.1875%						LIBOR = 7.1875%						LIBOR = 9.2500%					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	300%	500%	600%	800%	0%	100%	300%	500%	600%	800%	0%	100%	300%	500%	600%	800%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 1994	89	87	85	82	81	78	89	87	85	82	81	79	90	88	86	84	83	80
November 1995	77	73	67	60	57	51	76	74	68	62	59	52	79	76	71	65	62	54
November 1996	64	60	50	40	36	27	63	60	52	43	38	29	67	64	57	46	41	30
November 1997	51	47	36	26	22	15	49	48	39	29	24	16	53	53	45	33	27	18
November 1998	37	35	25	14	10	8	34	36	28	17	12	10	39	42	36	20	15	11
November 1999	22	25	16	2	0	2	18	25	20	4	1	3	23	32	28	8	4	5
November 2000	7	15	9	0	0	0	1	15	13	0	0	0	5	23	22	3	1	1
November 2001	0	5	3	0	0	0	0	5	8	0	0	0	0	14	18	*	0	0
November 2002	0	0	0	0	0	0	0	0	0	0	0	0	0	4	8	0	0	0
November 2003	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0
November 2004	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2005	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2006	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2007	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2008	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	4.0	4.0	3.4	2.8	2.6	2.3	3.8	4.0	3.7	2.9	2.7	2.4	4.1	4.5	4.2	3.1	2.8	2.5

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

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

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The following tax discussion, when read in conjunction with the discussion of “Certain Federal Income Tax Consequences” in the REMIC Prospectus, describes the current federal income tax treatment of investors in the Certificates. These two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of investors, some of which may be subject to special rules. Investors should consult their own tax advisors in determining the federal, state, local and any other tax consequences to them of the purchase, ownership and disposition of the Certificates.

REMIC Elections and Special Tax Attributes

An election will be made to treat the Trust as a REMIC for federal income tax purposes. The F Class will be designated as the “regular interest,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust.

As a consequence of the qualification of the Trust as a REMIC, the Certificates generally will be treated as “qualifying real property loans” for mutual savings banks and domestic building and loan associations, “regular or residual interests in a REMIC” for domestic building and loan associations, “real estate assets” for real estate investment trusts, and, except for the R Class, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—Special Tax Attributes” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The F Class will be issued with original issue discount for federal income tax purposes, which generally will result in recognition of some taxable income in advance of the receipt of the cash attributable to such income. The Prepayment Assumption that will be used in determining the rate of accrual of original issue discount will be 500% PSA. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Original Issue Discount*” in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the Trust SMBS or the Underlying REMIC Certificates will prepay at that or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the REMIC Prospectus.

The F Class will qualify as a regular interest under the Regulations because it will receive interest at a variable rate subject to a “funds-available cap.” The funds-available cap will limit the amount of interest to be paid on the F Class to the sum of (i) the aggregate distributions of interest concurrently made on the Class 50-SA, Class 150-FQ and Class 21-SA REMIC Certificates and (ii) the aggregate distributions of principal concurrently made on the Underlying REMIC Certificates following the reduction of the principal balance of the F Class to zero. The F Class, however, will be issued with original issue discount because under certain circumstances all or a portion of the interest that has accrued at the variable rate may not be paid currently.

Taxation of Beneficial Owners of Residual Certificates

Under the Regulations, the R Class will not have significant value. As a result, an organization to which section 593 of the Code applies and which is the beneficial owner of an R Certificate may not use its allowable deductions to offset any “excess inclusions” with respect to such Certificate. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” in the REMIC Prospectus.

For purposes of determining the portion of the taxable income of the Trust that generally will not be treated as excess inclusions, the rate to be used is 6.85% (which is 120% of the “federal long-term rate”). See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual

Certificates—*Excess Inclusions*” and “—Foreign Investors—*Residual Certificates*” in the REMIC Prospectus. The federal income tax consequences of any consideration paid to a transferee on the transfer of an R Certificate are unclear; any transferee receiving such consideration should consult its own tax advisors.

PLAN OF DISTRIBUTION

The Dealer will receive the Certificates in exchange for the Trust SMBS and the Underlying REMIC Certificates pursuant to a Fannie Mae commitment. The Dealer proposes to offer the Certificates directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealer may effect such transactions to or through dealers.

LEGAL MATTERS

Certain legal matters will be passed upon for the Dealer by Cleary, Gottlieb, Steen & Hamilton.

No dealer, salesman or other person has been authorized to give any information or to make any representations in connection with this offering other than those contained in this Prospectus Supplement, the REMIC Prospectus, the MBS Prospectus, the SMBS Prospectus, the MEGA Prospectus, the Underlying Prospectuses and the Information Statement and, if given or made, such information or representations must not be relied upon as having been authorized. This Prospectus Supplement and the aforementioned documents do not constitute an offer to sell or a solicitation of an offer to buy any of the Certificates offered hereby in any state to any person to whom it is unlawful to make such offer or solicitation in such state. The delivery of this Prospectus Supplement and the aforementioned documents at any time does not imply that the information contained herein or therein is correct as of any time subsequent to the date hereof or thereof.

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\$107,825,397

**Federal National
Mortgage Association**



**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 1993-246**

PROSPECTUS SUPPLEMENT

**Kidder, Peabody & Co.
Incorporated**

November 12, 1993