

\$298,877,660
Federal National Mortgage Association



Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1994-69

The Guaranteed REMIC Pass-Through Certificates offered hereby (the "Certificates") will represent beneficial ownership interests in Fannie Mae REMIC Trust 1994-69 (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 (the "Mega Certificate") and included in Fannie Mae Stripped Mortgage-Backed Security Trust 000257-CL and (ii) the REMIC Certificates specified herein (collectively, the "Underlying REMIC Certificates") evidencing beneficial ownership interests in the respective Fannie Mae REMIC Trusts (collectively, the "Underlying REMIC Trusts"). The assets of each Underlying REMIC Trust consist of direct or indirect beneficial ownership interests 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 (each, a "Pool") of first lien, single-family, fixed-rate residential mortgage loans (the "Mortgage Loans") having the characteristics described 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
A	\$ 24,349,000	PAC	(2)	PO	June 2011
B	26,117,000	PAC	(2)	PO	February 2018
C	130,000,000	CPT	(2)	PO	February 2024
D	30,459,000	SUP	(2)	PO	February 2024
F	34,448,000	SUP	(3)	FLT	February 2024
S	15,899,356	SUP	(3)	INV	February 2024
CA	32,551,097	SUP	7.25%	FIX	March 2023
CB	5,054,207	SUP	(2)	PO	March 2023
R	0	NPR	0	NPR	February 2024

(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) These Classes are Principal Only Classes and will bear no interest.

(3) These Classes 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.

The Certificates will be offered by Prudential Securities 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 April 29, 1994 (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, 100 Gold Street, New York, New York, on or about the Settlement Date.

Prudential Securities Incorporated

March 21, 1994.

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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.

The yield to investors in the A, B, C and D Classes will be directly related to, among other things, the rate of distributions on the Trust SMBS, which in turn will be sensitive in varying degrees to the rate of principal payments of the related Mortgage Loans and the characteristics of such Mortgage Loans actually included in the related Pool. The yields to investors in the F, S, CA and CB Classes will be related to, among other things, the rate of distributions on the related Underlying REMIC Certificates, which in turn will be very sensitive to the rate of principal payments of the related Mortgage Loans, the characteristics of the related Mortgage Loans and the priority sequences affecting principal distributions on the related Underlying REMIC Certificates. The yield to investors in each Class will also be sensitive to the purchase price paid for the related Class and, in the case of any Floating Rate and Inverse Floating Rate Classes, the level of the applicable Index (as defined herein). 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 some or all 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 any Floating Rate or Inverse Floating Rate Class will be sensitive to the level of the applicable Index, particularly if the interest rate thereon fluctuates as a multiple of such Index.

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

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

- The rate of distributions of principal of the F, S, CA and CB Classes will be directly related to the rate of principal distributions on the related Underlying REMIC Certificates. The Underlying REMIC Certificates comprise Support Classes that receive principal payments on any Distribution Date only if scheduled payments have been made on specified PAC Classes issued by the Underlying REMIC Trusts. In addition, one class of the Underlying REMIC Certificates is subordinate in priority of distribution to certain other Support Classes issued by the related Underlying REMIC Trust. Accordingly, the Underlying REMIC Certificates may receive no principal payments for extended periods of time or may receive principal payments that vary widely from period to period. Prepayments on the related Mortgage Loans may have occurred at a rate faster or slower than that initially assumed in the Underlying Prospectus Supplements (as defined below). There is no information in this Prospectus Supplement as to whether the Underlying REMIC Certificates have performed as originally anticipated. Such information may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the Underlying Prospectus Supplements.
- The actual final payment of any 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.
- The rate of principal 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.
- 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 REMIC Prospectus, the SMBS Prospectus, the Mega Prospectus, the Prospectus Supplements for the Underlying REMIC Trusts (the “Underlying Prospectus Supplements”) or the MBS 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 Underlying Prospectus Supplements, the MBS Prospectus dated January 1, 1994, the SMBS Prospectus dated December 31, 1993, the Mega Prospectus dated December 31, 1993 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, together with the Underlying Prospectus Supplements, may be obtained from Fannie Mae by writing or calling its MBS Helpline at 3900 Wisconsin Avenue, N.W., Area 2H-3S, Washington, D.C. 20016 (telephone 1-800-BEST-MBS or 202-752-6547). Such documents may also be obtained from Prudential Securities Incorporated by writing or calling its Prospectus Department at 315 Hudson Street, 7th Floor, New York, New York 10013 (telephone 212-776-8906). Other data specific to the Certificates is available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000.

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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 Underlying Prospectus Supplements, the MBS Prospectus, the SMBS Prospectus, the Mega Prospectus 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 Underlying Prospectus Supplements, the MBS Prospectus, the SMBS Prospectus, the Mega Prospectus or the Trust Agreement (as the context may require). It should be noted that there may have been material changes in facts and circumstances since the dates the Underlying Prospectus Supplements 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 information set forth in such documents.

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 April 1, 1994 (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 Certificates (other than the R Class) will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust. The assets of the Trust will consist of (i) the Underlying REMIC Certificates (which evidence beneficial ownership interests in the Underlying REMIC Trusts) and (ii) the Trust SMBS.

Distributions on the Trust SMBS and the Underlying REMIC Certificates. The Trust SMBS will provide that principal on the underlying Mortgage Loans will be passed through monthly, commencing on the 25th day of the month following the month of initial issuance of the Trust SMBS, and the Underlying REMIC Certificates provide that principal and interest payments thereon will be passed through monthly, commencing on the 25th day of the month following the initial issuance thereof (or, in each case, 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 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 such balance is actually recovered. The guaranty obligations of Fannie Mae with respect to the Trust SMBS and the 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 Prospectus Supplements. In addition, Fannie Mae will be obligated to distribute on a timely basis to the Holders of Certificates required installments of principal and interest and to distribute the principal balance of each Class of Certificates in full no later than the applicable Final Distribution Date, whether or not sufficient funds are available therefor. 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 the Certificates—General—*Fannie Mae Guaranty*” in the applicable Underlying Prospectus Supplement and “Description of Certificates—The Corporation’s Guaranty” in the MBS Prospectus.

Characteristics of Certificates. The Certificates, other than the R Certificate, will be issued and maintained and may be transferred by Holders only on the book-entry system of the Federal Reserve Banks. Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts such Certificates have been deposited are herein referred to as “Holders” or “Certificateholders.” 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 Certificate will not be issued in book-entry form but will be issued in fully registered, certificated form. As to the R Certificate, “Holder” or “Certificateholder” refers to the registered owner thereof. The R Certificate 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 Certificate 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 Holder of the R Certificate of the proceeds of any remaining assets of the Trust will be made only upon presentation and surrender of such Certificate at the office of the Paying Agent. The Paying Agent initially will be State Street.

Components. For purposes of calculating payments of principal, the C, CA and CB Classes are comprised of multiple payment components having the designations and original principal balances set forth below:

<u>Designation</u>	<u>Original Principal Balance</u>
C1 Component	\$43,394,000
C2 Component	86,606,000
CA1 Component	18,583,075
CA2 Component	13,968,022
CB1 Component	2,144,202
CB2 Component	2,910,005

Components are not separately transferable from the related Class of Certificates. Since such Components are not divisible, the payment characteristics of such Classes will reflect a combination of the payment characteristics of the related Components.

Authorized Denominations. The Certificates, other than the R Certificate, will be issued in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof. The R Class will be issued as a single certificate and will not have a principal balance.

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 interest-bearing Certificates 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 a Distribution Date will consist of one month’s interest on the outstanding principal balance of such Certificate immediately prior to such Distribution Date. Interest to be distributed on a Distribution Date will accrue on the interest-bearing Certificates during the one month periods set forth herein under “Distributions of Interest—Interest Accrual Periods.” Principal on the Certificates 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 (ii) the aggregate distributions of principal concurrently made on the Underlying REMIC Certificates. 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 each Class of Certificates 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.

Optional Termination. Consistent with its policy described under “Description of Certificates—Termination” in the MBS Prospectus, Fannie Mae will agree not to effect indirectly an early termination of the Trust through the exercise of its right to repurchase the Mortgage Loans underlying any MBS unless only one Mortgage Loan remains in the related Pool or the principal balance of such Pool at the time of repurchase is less than one percent of the original principal balance thereof.

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

The Trust SMBS

The Trust SMBS will represent principal payments on a principal amount of MBS having the general characteristics described in the MBS Prospectus. The MBS underlying the Trust SMBS are held in the form of Mega Certificate CL-190257, the general characteristics of which are described in the Mega Prospectus.

The Mortgage Loans underlying the Trust SMBS (the “Group 1 Mortgage Loans”) 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 table contained in Appendix A hereto sets forth certain information with respect to the Trust SMBS including the numerical designation of the related Fannie Mae Stripped Mortgage-Backed Security Trust, the class designation of the Trust SMBS, the date of issue, the CUSIP number, the interest rate, the interest type, the final distribution date, the principal type, the original principal balance of the entire class, the percentage of such class in the Trust, the current principal factor for such class and the current principal balance of such class contained in the Trust as of April 1, 1994 (the “Issue Date”). The table also sets forth the approximate weighted average WAC, approximate weighted average WAM and approximate weighted average CAGE of the Mortgage Loans underlying the related MBS as of the Issue Date and the underlying security type.

The Underlying REMIC Certificates

The Underlying REMIC Certificates represent beneficial ownership interests in the respective Underlying REMIC Trusts, the assets of which evidence the direct or indirect beneficial ownership interests in certain MBS having the general characteristics set forth in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a Pool of conventional Level Payment Mortgage

Loans secured by a first mortgage or deed of trust on a one- to four-family residential property, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus.

The table contained in Appendix A hereto sets forth certain information with respect to each class of Underlying REMIC Certificates including the numerical designation of the Underlying REMIC Trust, the class designation of the Underlying REMIC Certificates, the date of issue, the CUSIP number, the interest rate, the interest type, the final distribution date, the principal type, the original principal balance of the entire class, the percentage of such class in the Trust, the current principal factor for such class and the current principal balance of such class contained in the Trust as of the Issue Date. The table also sets forth the approximate weighted average WAC, approximate weighted average WAM and approximate weighted average CAGE of the Mortgage Loans underlying the related MBS as of the Issue Date and the underlying security type.

Prepayment Considerations and Risks

The rate of distributions of principal of the A, B, C and D Classes will be sensitive in varying degrees to the rate of principal payments of the Group 1 Mortgage Loans and the characteristics of the Group 1 Mortgage Loans actually included in the related Pool.

The rate of distributions of principal of the F, S, CA and CB Classes will be directly related to the rate of principal distributions on the related Underlying REMIC Certificates, which in turn will be very sensitive to the rate of principal payments of the related Mortgage Loans and the priority sequences affecting principal distributions on the related Underlying REMIC Certificates. As described in the Underlying Prospectus Supplements, the Underlying REMIC Certificates comprise Support Classes that receive principal payments on any Distribution Date only if scheduled payments have been made on specified PAC Classes issued by the Underlying REMIC Trusts. In addition, one class of the Underlying REMIC Certificates is subordinate in priority of distribution to certain other Support Classes issued by the related Underlying REMIC Trust. Accordingly, the Underlying REMIC Certificates may receive no principal payments for extended periods of time or may receive principal payments that vary widely from period to period. As a result of the foregoing characteristics and as illustrated in the Decrement Tables herein, it is possible under certain prepayment scenarios that no principal distributions would be made on the F, S, CA and CB Classes for extended periods of time or, conversely, that investors in such Classes would receive distributions of principal earlier than they anticipated. Prepayments on the related Mortgage Loans may have occurred at a rate faster or slower than that initially assumed in the applicable Underlying Prospectus Supplement. There is no information in this Prospectus Supplement as to whether the Underlying REMIC Certificates have performed as originally anticipated. Such information may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the Underlying Prospectus Supplements.

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>
Fixed Rate	CA
Floating Rate	F
Inverse Floating Rate	S
Principal Only	A, B, C, CB and D
No Payment Residual	R

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

General. The interest-bearing Certificates will bear interest at the respective per annum interest rates set forth on the cover or described herein. Interest on the interest-bearing Certificates 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 each interest-bearing Certificate on a Distribution Date will consist of one month's interest on the outstanding principal balance of such Certificate immediately prior to such Distribution Date.

Interest Accrual Periods. Interest to be distributed on a Distribution Date will accrue on the interest-bearing Certificates during the one-month periods set forth below (each, an "Interest Accrual Period").

<u>Classes</u>	<u>Interest Accrual Period</u>
F and S (collectively, the "No Delay Classes")	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
CA (the "Delay Class")	Calendar month preceding the month in which the Distribution Date occurs

See "Yield Considerations" herein.

Floating Rate and Inverse Floating Rate Classes. Each of the following Classes 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	4.56250%	9.50000%	1.00%	LIBOR + 100 basis points
S	10.69783%	18.41645%	0.00%	$18.41645\% - (2.16662859 \times \text{LIBOR})$

The yields with respect to such Classes will be affected by changes in the index, as set forth in the table above (the "Index"), 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 the Index. Conversely, higher mortgage interest rates could occur concurrently with a decrease in the level of the Index.

The Index 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 the Index value by Fannie Mae and Fannie Mae's determination of the rate of interest for the applicable Classes 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, until the principal balances of the F and S Classes (the “LIBOR Classes”) have been reduced to zero, 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 3.5625%.

Distributions of Principal

Categories of Classes and Components

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

<u>Principal Type*</u>	<u>Classes and Components</u>
Group 1 Classes	
PAC	A, B and C1
TAC	C2
Component	C
Support	D
Group 2 Classes	
Support	F and S
Group 3 Components	
Support	CA1 and CB1
Group 4 Components	
Support	CA2 and CB2
No Payment Residual	R

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

Principal Distribution Amount

Principal will be distributed monthly on the Certificates in an amount (the “Principal Distribution Amount”) equal to the sum of (i) the distributions of principal concurrently made on the Trust SMBS (the “Group 1 Principal Distribution Amount”), (ii) the aggregate distributions of principal concurrently made on the Fannie Mae REMIC Trust 1994-27, Class G REMIC Certificates (the “Class 27-G REMIC Certificates”) and the Fannie Mae REMIC Trust 1994-56, Class O REMIC Certificates (the “Class 56-O REMIC Certificates”) (the “Group 2 Principal Distribution Amount”), (iii) the distributions of principal concurrently made on the Fannie Mae REMIC Trust 1994-27, Class E REMIC Certificates (the “Class 27-E REMIC Certificates”) (the “Group 3 Principal Distribution Amount”) and (iv) the distributions of principal concurrently made on the Fannie Mae REMIC Trust 1994-34, Class H REMIC Certificates (the “Class 34-H REMIC Certificates”) (the “Group 4 Principal Distribution Amount”).

Group 1 Principal Distribution Amount

On each Distribution Date, the Group 1 Principal Distribution Amount will be distributed as principal of the Group 1 Classes and Components in the following order of priority:

(i) sequentially, to the A and B Classes and the C1 Component, in that order, until the principal balances thereof are reduced to their respective Planned Balances for such Distribution Date;

} PAC
Classes
and
Component

- (ii) to the C2 Component, until the principal balance thereof is reduced to its Targeted Balance for such Distribution Date; } TAC Component
- (iii) to the D Class, until the principal balance thereof is reduced to zero; } Support Class
- (iv) to the C2 Component, without regard to its Targeted Balance and until the principal balance thereof is reduced to zero; and } TAC Component
- (v) sequentially, to the A and B Classes and the C1 Component, in that order, without regard to their Planned Balances and until the principal balances thereof are reduced to zero. } PAC Classes and Component

Group 2 Principal Distribution Amount

On each Distribution Date, the Group 2 Principal Distribution Amount will be distributed as principal, concurrently, to the F and S Classes, in proportion to their original principal balances (or 68.4206733716%, and 31.5793266284%, respectively), until the principal balances thereof are reduced to zero. } Support Classes

Group 3 Principal Distribution Amount

On each Distribution Date, the Group 3 Principal Distribution Amount will be distributed, concurrently, to the CA1 and CB1 Components, in proportion to their original principal balances (or 89.6551679220% and 10.3448320780%, respectively), until the principal balances thereof are reduced to zero. } Support Components

Group 4 Principal Distribution Amount

On each Distribution Date, the Group 4 Principal Distribution Amount will be distributed, concurrently, to the CA2 and CB2 Components, in proportion to their original principal balances (or 82.7586186466% and 17.2413813534%, respectively), until the principal balances thereof are reduced to zero. } Support Components

Structuring Assumptions

Pricing Assumptions. Unless otherwise specified, the information in the tables in this Prospectus Supplement has been prepared based on the actual characteristics of each Pool underlying the Trust SMBS and Underlying REMIC Certificates and the priority sequences affecting the principal distributions of the Underlying REMIC Certificates and on the basis of 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, 250% PSA, 120% PSA or 155% 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.

The Principal Balance Schedules have been prepared on the basis of the following assumptions:

- Each Group 1 Mortgage Loan bears interest at a rate of 7.467% per annum and has an original term to maturity of 360 months, and the following principal balances of the Group 1 Mortgage Loans have the remaining terms to maturity and CAGEs, respectively, as specified:

\$96,200,000	357 months	3 months
88,725,000	354 months	6 months
18,200,000	350 months	9 months
7,800,000	347 months	13 months

- The assumptions stated in the bullet points of the Pricing Assumptions; and
- The Group 1 Mortgage Loans prepay at the approximate *constant* levels set forth in the following table:

<u>Principal Balance Schedule References</u>	<u>Related Classes and Components</u>	<u>PSA Levels</u>
Planned Balances	PAC	Between 100% and 550%
Targeted Balance	C2	250%

There is no assurance that the principal balances of the Classes and Components listed above will conform on any Distribution Date to the applicable balances specified for such Distribution Date in the Principal Balance Schedules below, or that distributions of principal on the related Classes and Components will begin or end on the respective Distribution Dates specified therein. Because any excess of the principal available for distribution on any Distribution Date over the amount necessary to reduce the principal balances of the applicable Classes and Components to their respective scheduled balances will be distributed, the ability to so reduce the principal balances of such Classes and Components will not be enhanced by the averaging of high and low principal payments. In addition, even if prepayments on the Group 1 Mortgage Loans remain within the range specified above, the principal available for distribution may be insufficient to reduce the applicable Classes and Component to such respective balances, if prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the Group 1 Mortgage Loans (which may include recently originated Mortgage Loans), the Classes and Components specified above may not be reduced to their respective scheduled amounts, even if prepayments occur at a *constant* level within the range or at the rate specified above.

Principal Balance Schedules

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C1 Component Planned Balance</u>	<u>C2 Component Targeted Balance</u>
Initial Balance	\$24,349,000.00	\$26,117,000.00	\$43,394,000.00	\$86,606,000.00
May 1994	23,968,111.11	26,117,000.00	43,394,000.00	86,274,357.03
June 1994	23,551,310.06	26,117,000.00	43,394,000.00	85,889,849.19
July 1994	23,098,732.40	26,117,000.00	43,394,000.00	85,452,902.74
August 1994	22,610,532.23	26,117,000.00	43,394,000.00	84,964,039.54
September 1994	22,086,882.14	26,117,000.00	43,394,000.00	84,423,876.62
October 1994	21,527,973.16	26,117,000.00	43,394,000.00	83,833,125.57
November 1994	20,934,014.62	26,117,000.00	43,394,000.00	83,192,591.71
December 1994	20,305,234.07	26,117,000.00	43,394,000.00	82,503,172.99
January 1995	19,641,877.12	26,117,000.00	43,394,000.00	81,765,858.73
February 1995	18,944,207.34	26,117,000.00	43,394,000.00	80,981,728.01
March 1995	18,212,506.06	26,117,000.00	43,394,000.00	80,151,948.02
April 1995	17,447,072.21	26,117,000.00	43,394,000.00	79,277,772.00
May 1995	16,648,222.14	26,117,000.00	43,394,000.00	78,360,537.09
June 1995	15,816,289.40	26,117,000.00	43,394,000.00	77,401,661.91
July 1995	14,951,624.50	26,117,000.00	43,394,000.00	76,402,643.95
August 1995	14,054,594.73	26,117,000.00	43,394,000.00	75,365,056.73
September 1995	13,125,583.85	26,117,000.00	43,394,000.00	74,290,546.80
October 1995	12,166,263.84	26,117,000.00	43,394,000.00	73,182,713.74
November 1995	11,177,029.52	26,117,000.00	43,394,000.00	72,043,239.30
December 1995	10,158,290.87	26,117,000.00	43,394,000.00	70,873,867.17
January 1996	9,110,472.75	26,117,000.00	43,394,000.00	69,676,399.38
February 1996	8,036,949.80	26,117,000.00	43,394,000.00	68,456,951.50
March 1996	6,938,126.90	26,117,000.00	43,394,000.00	67,217,201.17
April 1996	5,814,421.74	26,117,000.00	43,394,000.00	65,958,870.75
May 1996	4,680,484.44	26,117,000.00	43,394,000.00	64,704,141.58
June 1996	3,536,521.18	26,117,000.00	43,394,000.00	63,453,709.32
July 1996	2,382,744.63	26,117,000.00	43,394,000.00	62,208,292.85
August 1996	1,234,717.58	26,117,000.00	43,394,000.00	60,990,521.45
September 1996	92,410.27	26,117,000.00	43,394,000.00	59,799,967.48
October 1996	0.00	25,072,793.09	43,394,000.00	58,636,209.33
November 1996	0.00	23,941,836.58	43,394,000.00	57,498,831.38
December 1996	0.00	22,816,511.44	43,394,000.00	56,387,423.92
January 1997	0.00	21,696,788.51	43,394,000.00	55,301,583.03
February 1997	0.00	20,582,638.78	43,394,000.00	54,240,910.54
March 1997	0.00	19,474,033.40	43,394,000.00	53,205,013.92
April 1997	0.00	18,370,943.65	43,394,000.00	52,193,506.24
May 1997	0.00	17,273,340.98	43,394,000.00	51,206,006.06
June 1997	0.00	16,181,196.98	43,394,000.00	50,242,137.35
July 1997	0.00	15,094,483.36	43,394,000.00	49,301,529.45
August 1997	0.00	14,013,172.01	43,394,000.00	48,383,816.98
September 1997	0.00	12,937,234.94	43,394,000.00	47,488,639.74
October 1997	0.00	11,866,644.33	43,394,000.00	46,615,642.68
November 1997	0.00	10,801,372.48	43,394,000.00	45,764,475.82
December 1997	0.00	9,741,391.83	43,394,000.00	44,934,794.16
January 1998	0.00	8,686,674.99	43,394,000.00	44,126,257.62
February 1998	0.00	7,637,194.67	43,394,000.00	43,338,530.99
March 1998	0.00	6,592,923.76	43,394,000.00	42,571,283.83
April 1998	0.00	5,553,835.26	43,394,000.00	41,824,190.45
May 1998	0.00	4,519,902.33	43,394,000.00	41,096,929.79
June 1998	0.00	3,491,098.24	43,394,000.00	40,389,185.40
July 1998	0.00	2,467,396.43	43,394,000.00	39,700,645.35

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C1 Component Planned Balance</u>	<u>C2 Component Targeted Balance</u>
August 1998	\$ 0.00	\$ 1,448,770.45	\$43,394,000.00	\$39,031,002.20
September 1998	0.00	435,194.01	43,394,000.00	38,379,952.89
October 1998	0.00	0.00	42,820,640.93	37,747,198.71
November 1998	0.00	0.00	41,817,085.19	37,132,445.26
December 1998	0.00	0.00	40,818,500.87	36,535,402.33
January 1999	0.00	0.00	39,824,862.22	35,955,783.91
February 1999	0.00	0.00	38,836,143.60	35,393,308.08
March 1999	0.00	0.00	37,852,319.50	34,847,696.99
April 1999	0.00	0.00	36,873,364.56	34,318,676.77
May 1999	0.00	0.00	35,899,253.53	33,805,977.50
June 1999	0.00	0.00	34,929,961.30	33,309,333.17
July 1999	0.00	0.00	33,965,462.89	32,828,481.56
August 1999	0.00	0.00	33,005,733.44	32,363,164.27
September 1999	0.00	0.00	32,050,748.23	31,913,126.62
October 1999	0.00	0.00	31,100,482.64	31,478,117.59
November 1999	0.00	0.00	30,154,912.22	31,057,889.81
December 1999	0.00	0.00	29,214,012.61	30,652,199.47
January 2000	0.00	0.00	28,277,759.59	30,260,806.31
February 2000	0.00	0.00	27,346,129.05	29,883,473.51
March 2000	0.00	0.00	26,419,097.03	29,519,967.71
April 2000	0.00	0.00	25,517,362.43	29,149,336.18
May 2000	0.00	0.00	24,646,110.89	28,766,142.89
June 2000	0.00	0.00	23,804,318.13	28,371,165.15
July 2000	0.00	0.00	22,990,994.13	27,965,149.38
August 2000	0.00	0.00	22,205,182.00	27,548,812.19
September 2000	0.00	0.00	21,445,956.83	27,122,841.48
October 2000	0.00	0.00	20,712,424.69	26,687,897.42
November 2000	0.00	0.00	20,003,721.52	26,244,613.46
December 2000	0.00	0.00	19,319,012.20	25,793,597.26
January 2001	0.00	0.00	18,657,489.58	25,335,431.66
February 2001	0.00	0.00	18,018,373.49	24,870,675.52
March 2001	0.00	0.00	17,400,909.91	24,399,864.60
April 2001	0.00	0.00	16,804,370.04	23,923,512.39
May 2001	0.00	0.00	16,228,049.51	23,442,110.91
June 2001	0.00	0.00	15,671,267.54	22,956,131.49
July 2001	0.00	0.00	15,133,366.14	22,466,025.51
August 2001	0.00	0.00	14,613,709.36	21,972,225.13
September 2001	0.00	0.00	14,111,682.59	21,475,143.96
October 2001	0.00	0.00	13,626,691.77	20,975,177.78
November 2001	0.00	0.00	13,158,162.80	20,472,705.16
December 2001	0.00	0.00	12,705,540.79	19,968,088.08
January 2002	0.00	0.00	12,268,289.46	19,461,672.57
February 2002	0.00	0.00	11,845,890.53	18,953,789.26
March 2002	0.00	0.00	11,437,843.07	18,444,753.97
April 2002	0.00	0.00	11,043,662.97	17,934,868.24
May 2002	0.00	0.00	10,662,882.37	17,424,419.86
June 2002	0.00	0.00	10,295,049.08	16,913,683.38
July 2002	0.00	0.00	9,939,726.11	16,402,920.62
August 2002	0.00	0.00	9,596,491.12	15,892,381.11
September 2002	0.00	0.00	9,264,935.94	15,382,302.57
October 2002	0.00	0.00	8,944,666.13	14,872,911.33
November 2002	0.00	0.00	8,635,300.47	14,364,422.80

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C1 Component Planned Balance</u>	<u>C2 Component Targeted Balance</u>
December 2002	\$ 0.00	\$ 0.00	\$ 8,336,470.54	\$13,857,041.83
January 2003	0.00	0.00	8,047,820.32	13,350,963.15
February 2003	0.00	0.00	7,769,005.72	12,846,371.72
March 2003	0.00	0.00	7,499,694.23	12,343,443.12
April 2003	0.00	0.00	7,239,564.51	11,842,343.89
May 2003	0.00	0.00	6,988,306.01	11,343,231.91
June 2003	0.00	0.00	6,745,618.62	10,846,256.68
July 2003	0.00	0.00	6,511,212.34	10,351,559.70
August 2003	0.00	0.00	6,284,806.90	9,859,274.71
September 2003	0.00	0.00	6,066,131.46	9,369,528.07
October 2003	0.00	0.00	5,854,924.29	8,882,438.98
November 2003	0.00	0.00	5,650,932.48	8,398,119.78
December 2003	0.00	0.00	5,453,911.61	7,916,676.25
January 2004	0.00	0.00	5,263,625.50	7,438,207.81
February 2004	0.00	0.00	5,079,845.91	6,962,807.82
March 2004	0.00	0.00	4,902,352.28	6,490,563.79
April 2004	0.00	0.00	4,730,931.50	6,021,557.64
May 2004	0.00	0.00	4,565,377.61	5,555,865.90
June 2004	0.00	0.00	4,405,491.61	5,093,559.92
July 2004	0.00	0.00	4,251,081.18	4,634,706.11
August 2004	0.00	0.00	4,101,960.51	4,179,366.13
September 2004	0.00	0.00	3,957,950.02	3,727,597.05
October 2004	0.00	0.00	3,818,876.21	3,279,451.60
November 2004	0.00	0.00	3,684,571.43	2,834,978.28
December 2004	0.00	0.00	3,554,873.65	2,394,221.58
January 2005	0.00	0.00	3,429,626.35	1,957,222.15
February 2005	0.00	0.00	3,308,678.25	1,524,016.94
March 2005	0.00	0.00	3,191,883.21	1,094,639.34
April 2005	0.00	0.00	3,079,100.00	669,119.39
May 2005	0.00	0.00	2,970,192.15	247,483.85
June 2005	0.00	0.00	2,865,027.82	0.00
July 2005	0.00	0.00	2,763,479.62	0.00
August 2005	0.00	0.00	2,665,424.43	0.00
September 2005	0.00	0.00	2,570,743.34	0.00
October 2005	0.00	0.00	2,479,321.41	0.00
November 2005	0.00	0.00	2,391,047.62	0.00
December 2005	0.00	0.00	2,305,814.67	0.00
January 2006	0.00	0.00	2,223,518.93	0.00
February 2006	0.00	0.00	2,144,060.24	0.00
March 2006	0.00	0.00	2,067,341.83	0.00
April 2006	0.00	0.00	1,993,270.22	0.00
May 2006	0.00	0.00	1,921,755.09	0.00
June 2006	0.00	0.00	1,852,709.17	0.00
July 2006	0.00	0.00	1,786,048.14	0.00
August 2006	0.00	0.00	1,721,690.54	0.00
September 2006	0.00	0.00	1,659,557.69	0.00
October 2006	0.00	0.00	1,599,573.54	0.00
November 2006	0.00	0.00	1,541,664.63	0.00
December 2006	0.00	0.00	1,485,760.01	0.00
January 2007	0.00	0.00	1,431,791.10	0.00
February 2007	0.00	0.00	1,379,691.68	0.00
March 2007	0.00	0.00	1,329,397.75	0.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C1 Component Planned Balance</u>	<u>C2 Component Targeted Balance</u>
April 2007.....	\$ 0.00	\$ 0.00	\$ 1,280,847.49	\$ 0.00
May 2007	0.00	0.00	1,233,981.19	0.00
June 2007	0.00	0.00	1,188,741.14	0.00
July 2007	0.00	0.00	1,145,071.61	0.00
August 2007	0.00	0.00	1,102,918.75	0.00
September 2007.....	0.00	0.00	1,062,230.56	0.00
October 2007	0.00	0.00	1,022,956.78	0.00
November 2007	0.00	0.00	985,048.88	0.00
December 2007	0.00	0.00	948,459.96	0.00
January 2008	0.00	0.00	913,144.72	0.00
February 2008	0.00	0.00	879,059.42	0.00
March 2008	0.00	0.00	846,161.79	0.00
April 2008.....	0.00	0.00	814,410.99	0.00
May 2008	0.00	0.00	783,767.59	0.00
June 2008	0.00	0.00	754,193.48	0.00
July 2008	0.00	0.00	725,651.88	0.00
August 2008	0.00	0.00	698,107.24	0.00
September 2008.....	0.00	0.00	671,525.21	0.00
October 2008	0.00	0.00	645,872.64	0.00
November 2008	0.00	0.00	621,117.49	0.00
December 2008	0.00	0.00	597,228.82	0.00
January 2009	0.00	0.00	574,176.75	0.00
February 2009	0.00	0.00	551,932.40	0.00
March 2009	0.00	0.00	530,467.90	0.00
April 2009.....	0.00	0.00	509,756.31	0.00
May 2009	0.00	0.00	489,771.64	0.00
June 2009	0.00	0.00	470,488.74	0.00
July 2009	0.00	0.00	451,883.37	0.00
August 2009	0.00	0.00	433,932.09	0.00
September 2009.....	0.00	0.00	416,612.27	0.00
October 2009	0.00	0.00	399,902.04	0.00
November 2009	0.00	0.00	383,780.30	0.00
December 2009	0.00	0.00	368,226.66	0.00
January 2010	0.00	0.00	353,221.43	0.00
February 2010	0.00	0.00	338,745.59	0.00
March 2010	0.00	0.00	324,780.77	0.00
April 2010.....	0.00	0.00	311,309.26	0.00
May 2010	0.00	0.00	298,313.90	0.00
June 2010	0.00	0.00	285,778.17	0.00
July 2010	0.00	0.00	273,686.10	0.00
August 2010	0.00	0.00	262,022.25	0.00
September 2010.....	0.00	0.00	250,771.73	0.00
October 2010	0.00	0.00	239,920.16	0.00
November 2010	0.00	0.00	229,453.65	0.00
December 2010	0.00	0.00	219,358.79	0.00
January 2011	0.00	0.00	209,622.62	0.00
February 2011	0.00	0.00	200,232.63	0.00
March 2011	0.00	0.00	191,176.76	0.00
April 2011.....	0.00	0.00	182,443.34	0.00
May 2011	0.00	0.00	174,021.10	0.00
June 2011	0.00	0.00	165,899.19	0.00
July 2011	0.00	0.00	158,067.10	0.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C1 Component Planned Balance</u>	<u>C2 Component Targeted Balance</u>
August 2011	\$ 0.00	\$ 0.00	\$ 150,514.69	\$ 0.00
September 2011	0.00	0.00	143,232.19	0.00
October 2011	0.00	0.00	136,210.13	0.00
November 2011	0.00	0.00	129,439.41	0.00
December 2011	0.00	0.00	122,911.20	0.00
January 2012	0.00	0.00	116,617.01	0.00
February 2012	0.00	0.00	110,548.63	0.00
March 2012	0.00	0.00	104,698.12	0.00
April 2012	0.00	0.00	99,057.84	0.00
May 2012	0.00	0.00	93,620.41	0.00
June 2012	0.00	0.00	88,378.67	0.00
July 2012	0.00	0.00	83,325.76	0.00
August 2012	0.00	0.00	78,455.03	0.00
September 2012	0.00	0.00	73,760.05	0.00
October 2012	0.00	0.00	69,234.63	0.00
November 2012	0.00	0.00	64,872.79	0.00
December 2012	0.00	0.00	60,668.77	0.00
January 2013	0.00	0.00	56,616.98	0.00
February 2013	0.00	0.00	52,712.05	0.00
March 2013	0.00	0.00	48,948.79	0.00
April 2013	0.00	0.00	45,322.18	0.00
May 2013	0.00	0.00	41,827.39	0.00
June 2013	0.00	0.00	38,459.75	0.00
July 2013	0.00	0.00	35,214.75	0.00
August 2013	0.00	0.00	32,088.05	0.00
September 2013	0.00	0.00	29,075.43	0.00
October 2013	0.00	0.00	26,172.86	0.00
November 2013	0.00	0.00	23,376.42	0.00
December 2013	0.00	0.00	20,682.33	0.00
January 2014	0.00	0.00	18,086.96	0.00
February 2014	0.00	0.00	15,586.78	0.00
March 2014	0.00	0.00	13,178.41	0.00
April 2014	0.00	0.00	10,858.56	0.00
May 2014	0.00	0.00	8,624.09	0.00
June 2014	0.00	0.00	6,471.94	0.00
July 2014	0.00	0.00	4,399.16	0.00
August 2014	0.00	0.00	2,402.93	0.00
September 2014	0.00	0.00	480.49	0.00
October 2014 and thereafter	0.00	0.00	0.00	0.00

Characteristics of the R Class

The R Certificate will not have a principal balance and will not bear interest. The Holder of the R Certificate will be entitled to receive the proceeds of the remaining assets of the Trust, if any, after the principal balances of all Classes have been reduced to zero. It is not anticipated that there will be any material assets remaining in such circumstance.

The R Class will be subject to certain transfer restrictions. No transfer of record or beneficial ownership of the R Certificate will be allowed to a “disqualified organization.” In addition, no transfer of record or beneficial ownership of the 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. The R Certificate will constitute a noneconomic residual interest under the Regulations. Any transferee of the 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. Transferors of the R Certificate should consult with their own tax advisors for further information regarding such transfers.

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

Yield Considerations

General. 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 Certificates will correspond to any of the pre-tax yields shown herein or that the aggregate purchase prices of the Certificates will be as assumed. In addition, there can be no assurance that the Index will correspond to the levels shown herein. Furthermore, because some of the Mortgage Loans will likely have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the principal distributions on the Certificates are likely to differ from those assumed, even if all Mortgage Loans related to a particular Class or Component prepay at the indicated constant percentages of PSA. In addition, 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 the Index will remain constant.

The rate of distributions of principal of the A, B, C and D Classes will be related to the rate of principal distributions on the Trust SMBS, which in turn will be related to the amortization (including prepayments) of the Group 1 Mortgage Loans. The rate of distributions of principal of the F, S, CA and CB Classes will be directly related to the rate of principal distributions on the related Underlying REMIC Certificates, which in turn will be very sensitive to the amortization (including prepayments) of the related Mortgage Loans and the priority sequences affecting principal distributions on the related Underlying REMIC Certificates. The Underlying REMIC Certificates comprise Support Classes that receive principal payments on any Distribution Date only if scheduled payments have been made on specified PAC Classes issued by the Underlying REMIC Trusts. In addition, one class of the Underlying REMIC Certificates is subordinate in priority of distribution to certain other Support Classes issued by the related Underlying REMIC Trust. Accordingly, the Underlying REMIC Certificates may receive no principal payments for extended periods of time or may receive principal payments that vary widely from period to period. As a result of the foregoing characteristics, it is

possible under certain prepayment scenarios that no principal distributions would be made on the F, S, CA and CB Classes for extended periods of time or, conversely, that investors in such Classes would receive distributions of principal earlier than they anticipated. Prepayments on the related Mortgage Loans may have occurred at a rate faster or slower than that initially assumed in the Underlying Prospectus Supplements. There is no information in this Prospectus Supplement as to whether the Underlying REMIC Certificates have performed as originally anticipated. Such information may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the Underlying Prospectus Supplements.

The timing of changes in the rate of prepayments or the level of the Index may significantly affect the actual yield to maturity to investors, even if the average rate of principal prepayments or the average level of the Index is consistent with the expectations of investors. In general, the earlier the payment of principal of the related Mortgage Loans or change in the level of the Index, 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 the Index 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 will not be offset by a subsequent like reduction (or increase) in the rate of principal prepayments or level of the Index.

The effective yield on the Delay Class will be reduced below the yield otherwise produced because principal and interest payable on a Distribution Date will not be distributed until the 25th day following the end of the related Interest Accrual Period and will not bear interest during such delay. No interest at all will be paid on any Class after its principal balance has been reduced to zero. As a result of the foregoing, the market value of the Delay Class will be lower than would have been the case if there were no such delay. Investors must make their own decisions as to the appropriate assumptions, including prepayment assumptions, to be used in deciding whether to purchase the Certificates.

The tables below indicate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of certain Classes to various constant percentages of PSA and, where specified, to changes in the Index. The yields set forth in the tables were calculated by determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Classes, would cause the discounted present value of such assumed streams of cash flows to equal the assumed aggregate purchase prices of such Classes and converting such monthly rates to corporate bond equivalent rates. 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 Principal Only Classes. **The Principal Only Classes will not bear interest. As indicated in the table below, a low rate of principal payments (including prepayments) on the related Mortgage Loans will have a negative effect on the yields to investors in the Principal Only Classes.**

The information set forth in the following tables was prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the Principal Only Classes (expressed as percentages of the original principal balances) are as follows:

<u>Class</u>	<u>Price</u>
A	92.281250%
B	80.203125%
C	60.000000%
D	56.000000%
CB.....	69.000000%

Sensitivity of the Principal Only Classes to Prepayments*
(Pre-Tax Yields to Maturity)

<u>Class</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>155%</u>	<u>250%</u>	<u>550%</u>	<u>650%</u>
A	4.0%	5.6%	5.7%	5.7%	5.7%	5.7%
B	4.2%	6.5%	6.5%	6.5%	6.5%	6.7%
C	3.3%	4.7%	6.6%	10.3%	14.4%	17.2%
D	2.1%	2.3%	2.7%	3.7%	70.8%	90.0%
CB	2.0%	2.3%	4.7%	45.7%	125.3%	151.5%

* The assumptions used to prepare this table differ from those used to prepare the Principal Balance Schedules. See "Description of the Certificates—Structuring Assumptions" herein. Accordingly, the yields shown for the A, B, C and D Classes at certain PSA Prepayment Assumptions differ from those that would result from the rates of amortization reflected in the Principal Balance Schedules.

The Inverse Floating Rate Class. The yield to investors in the Inverse Floating Rate Class will be highly sensitive to the level of the applicable Index and sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans, which Mortgage Loans generally can be prepaid at any time. As indicated in the table below, a high level of the applicable Index will have a negative effect on the yield to investors in the Inverse Floating Rate Class.

Changes in an Index 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 such Index.

The information set forth in the following table was prepared on the basis of the Pricing Assumptions and the assumptions that (i) the interest rates applicable to the Inverse Floating Rate Class for each Interest Accrual Period subsequent to its initial Interest Accrual Period will be based on the indicated level of the applicable Index and (ii) the aggregate purchase price of the Inverse Floating Rate Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
S	75.109375%

* The price does not include accrued interest. Accrued interest has been added to such price in calculating the yields set forth in the table below.

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>95%</u>	<u>120%</u>	<u>200%</u>	<u>450%</u>
1.5625%	20.8%	20.8%	20.9%	25.1%	50.1%
3.5625%	14.8%	14.8%	14.9%	18.8%	44.3%
5.5625%	9.0%	9.1%	9.1%	12.5%	38.6%
7.5625%	3.5%	3.6%	3.7%	6.4%	33.0%
8.5000%	1.1%	1.2%	1.3%	3.7%	30.5%

Weighted Average Lives of the Certificates

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

may influence the weighted average life of a Certificate, see “Description of 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 related Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including the timing of changes in such rate of principal payments, the priority sequence of distributions of principal of the Classes, the distribution of principal of certain Classes in accordance with the Principal Balance Schedules herein and the priority sequences affecting principal distributions on the Underlying REMIC Certificates. For example, if the amount distributable as principal of the Group 1 Classes on any Distribution Date exceeds the amount required to reduce the principal balances of certain Group 1 Classes with higher principal payment priorities to their respective scheduled amounts as set forth in the Principal Balance Schedules, such excess principal will be distributed on the remaining Group 1 Classes on such Distribution Date. Conversely, if the principal distributable on any Distribution Date is less than the amount so required to reduce certain Group 1 Classes to their respective scheduled amounts, no principal will be distributed on the remaining Group 1 Classes on such Distribution Date. Accordingly, the rate of principal payments on the Group 1 Mortgage Loans is expected to have a greater effect on the weighted average life of the D Class than on the weighted average lives of the PAC Classes. See “Distributions of Principal” herein and “Distributions of Principal” in the Underlying Prospectus Supplements and for a description of the factors which may influence the weighted average life of the Underlying REMIC Certificates, see “Description of the Certificates—Weighted Average Lives of the Certificates” in the Underlying Prospectus Supplement.

The interaction of the foregoing factors may have different effects on various Classes and the effects on any Class may vary at different times during the life of such Class. Accordingly, no assurance can be given as to the weighted average life of any 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 Classes of Certificates could result in variability in the related yields to maturity. For an example of how the weighted average lives of the Classes may be affected at various *constant* prepayment rates, see the Decrement Tables below.

As described under “General—*Components*” herein, for purposes of calculating payments of principal, the C, CA and CB Classes are comprised of multiple Components. Since such Components are not divisible, the payment characteristics of such Classes will reflect a combination of the payment characteristics of the related Components.

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each of the dates shown at various *constant* PSA levels and the corresponding weighted average lives of such Classes. The tables have been prepared on the basis of the Pricing Assumptions, except that with respect to the information set forth under 0% PSA it has been assumed with respect to the following groups of Classes or Components that the principal amounts of underlying Mortgage Loans set forth below bear interest rates and have original and remaining terms to maturity as follows:

	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Original Term to Maturity</u>	<u>Remaining Term to Maturity</u>
Group 1 Classes	\$210,925,000	9.5%	360 months	358 months
Group 2 Classes	28,398,941	9.0%	360 months	358 months
	21,948,415	9.0%	360 months	359 months
Group 3 Components . . .	20,727,277	9.0%	360 months	358 months
Group 4 Components . . .	16,878,027	8.5%	180 months	179 months

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

Percent of Original Principal Balances Outstanding***

Date	A Class					B Class					C Class					D Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	250%	550%	650%	0%	100%	250%	550%	650%	0%	100%	250%	550%	650%	0%	100%	250%	550%	650%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April 1995	95	72	72	72	72	100	100	100	100	100	100	100	94	94	94	100	100	100	53	37
April 1996	89	25	24	24	24	100	100	100	100	100	100	100	84	79	70	100	100	100	0	0
April 1997	82	0	0	0	0	100	71	70	70	70	100	100	74	55	43	100	100	100	0	0
April 1998	75	0	0	0	0	100	22	21	21	5	100	100	66	41	33	100	100	100	0	0
April 1999	67	0	0	0	0	100	0	0	0	0	100	95	55	30	21	100	100	100	0	0
April 2000	58	0	0	0	0	100	0	0	0	0	100	86	42	20	12	100	100	100	0	0
April 2001	49	0	0	0	0	100	0	0	0	0	100	78	31	13	7	100	100	100	0	0
April 2002	38	0	0	0	0	100	0	0	0	0	100	70	22	9	4	100	100	100	0	0
April 2003	26	0	0	0	0	100	0	0	0	0	100	63	15	6	3	100	100	100	0	0
April 2004	14	0	0	0	0	100	0	0	0	0	100	56	8	4	2	100	100	100	0	0
April 2005	0	0	0	0	0	100	0	0	0	0	100	50	3	2	1	100	100	100	0	0
April 2006	0	0	0	0	0	85	0	0	0	0	100	43	2	2	1	100	100	87	0	0
April 2007	0	0	0	0	0	70	0	0	0	0	100	38	1	1	*	100	100	73	0	0
April 2008	0	0	0	0	0	52	0	0	0	0	100	32	1	1	*	100	100	61	0	0
April 2009	0	0	0	0	0	33	0	0	0	0	100	27	*	*	*	100	100	50	0	0
April 2010	0	0	0	0	0	12	0	0	0	0	100	22	*	*	*	100	100	41	0	0
April 2011	0	0	0	0	0	0	0	0	0	0	98	17	*	*	*	100	100	34	0	0
April 2012	0	0	0	0	0	0	0	0	0	0	93	13	*	*	*	100	100	27	0	0
April 2013	0	0	0	0	0	0	0	0	0	0	87	9	*	*	*	100	100	22	0	0
April 2014	0	0	0	0	0	0	0	0	0	0	81	5	*	*	*	100	100	18	0	0
April 2015	0	0	0	0	0	0	0	0	0	0	74	1	0	*	*	100	100	14	0	0
April 2016	0	0	0	0	0	0	0	0	0	0	67	0	0	*	*	100	90	11	0	0
April 2017	0	0	0	0	0	0	0	0	0	0	59	0	0	*	*	100	76	8	0	0
April 2018	0	0	0	0	0	0	0	0	0	0	50	0	0	*	*	100	63	6	0	0
April 2019	0	0	0	0	0	0	0	0	0	0	40	0	0	*	*	100	50	4	0	0
April 2020	0	0	0	0	0	0	0	0	0	0	29	0	0	*	*	100	38	3	0	0
April 2021	0	0	0	0	0	0	0	0	0	0	17	0	0	*	*	100	27	2	0	0
April 2022	0	0	0	0	0	0	0	0	0	0	4	0	0	*	*	100	16	1	0	0
April 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	*	*	56	6	*	0	0
April 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	6.5	1.5	1.4	1.4	1.4	14.0	3.5	3.4	3.4	3.4	23.5	11.6	5.5	4.1	3.4	29.1	25.2	16.2	1.0	0.8

Date	F and S Classes						CA Class						CB Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	120%	250%	450%	650%	0%	100%	155%	250%	450%	650%	0%	100%	155%	250%	450%	650%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April 1995	100	100	100	81	56	36	100	100	92	49	0	0	100	100	91	45	0	0
April 1996	100	100	100	56	0	0	100	100	85	0	0	0	100	100	82	0	0	0
April 1997	100	100	100	37	0	0	100	100	82	0	0	0	100	100	78	0	0	0
April 1998	100	100	100	9	0	0	100	100	81	0	0	0	100	100	77	0	0	0
April 1999	100	100	100	0	0	0	100	100	81	0	0	0	100	100	76	0	0	0
April 2000	100	100	100	0	0	0	100	100	80	0	0	0	100	100	76	0	0	0
April 2001	100	100	100	0	0	0	100	100	79	0	0	0	100	100	74	0	0	0
April 2002	100	100	100	0	0	0	100	100	72	0	0	0	100	100	66	0	0	0
April 2003	100	100	100	0	0	0	100	100	61	0	0	0	100	100	52	0	0	0
April 2004	100	100	100	0	0	0	100	100	46	0	0	0	100	100	34	0	0	0
April 2005	100	100	100	0	0	0	100	100	40	0	0	0	100	100	30	0	0	0
April 2006	100	100	100	0	0	0	100	85	33	0	0	0	100	80	25	0	0	0
April 2007	99	99	99	0	0	0	100	57	25	0	0	0	100	42	19	0	0	0
April 2008	99	99	99	0	0	0	100	57	16	0	0	0	100	42	12	0	0	0
April 2009	99	99	99	0	0	0	57	57	7	0	0	0	42	42	5	0	0	0
April 2010	99	99	99	0	0	0	57	57	0	0	0	0	42	42	0	0	0	0
April 2011	99	99	99	0	0	0	57	57	0	0	0	0	42	42	0	0	0	0
April 2012	99	99	91	0	0	0	57	57	0	0	0	0	42	42	0	0	0	0
April 2013	99	99	79	0	0	0	57	57	0	0	0	0	42	42	0	0	0	0
April 2014	99	99	68	0	0	0	57	57	0	0	0	0	42	42	0	0	0	0
April 2015	99	90	56	0	0	0	57	41	0	0	0	0	42	30	0	0	0	0
April 2016	99	75	56	0	0	0	57	23	0	0	0	0	42	17	0	0	0	0
April 2017	99	60	56	0	0	0	57	5	0	0	0	0	42	4	0	0	0	0
April 2018	98	56	52	0	0	0	57	0	0	0	0	0	42	0	0	0	0	0
April 2019	98	56	42	0	0	0	57	0	0	0	0	0	42	0	0	0	0	0
April 2020	98	46	32	0	0	0	57	0	0	0	0	0	42	0	0	0	0	0
April 2021	98	33	22	0	0	0	57	0	0	0	0	0	42	0	0	0	0	0
April 2022	98	20	13	0	0	0	57	0	0	0	0	0	42	0	0	0	0	0
April 2023	55	7	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	29.0	24.9	23.2	2.4	1.1	0.8	22.4	17.7	9.3	1.0	0.5	0.4	20.3	16.3	8.5	0.9	0.5	0.3

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

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

*** The assumptions used to prepare these tables differ from those used to prepare the Principal Balance Schedules. See “Description of the Certificates—Structuring Assumptions” herein. Accordingly, the rates of amortization reflected for the A, B, C and D Classes at certain PSA Assumptions differ from those reflected in the Principal Balance Schedules.

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 Election and Special Tax Attributes

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

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 Principal Only Classes and the S Class will be, and certain other Classes of Certificates may 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 250% PSA with respect to the Mortgage Loans underlying the Group 1 Classes, 120% PSA with respect to the Mortgage Loans underlying the Group 2 Classes and 155% PSA with respect to the Mortgage Loans underlying the Group 3 and Group 4 Components. 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 such Mortgage Loans will prepay at those or any other rates. 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. In addition, certain Classes of Certificates may be treated as having been issued at a premium for federal income tax purposes. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Certificates Purchased at a Premium*” in the REMIC Prospectus.

The Treasury Department has issued final regulations relating to the tax treatment of debt instruments with original issue discount (the “OID Regulations”). These regulations replace proposed OID regulations issued on December 22, 1992 (the “1992 Proposed OID Regulations”). The OID Regulations apply to debt instruments issued on or after April 4, 1994, and to sales or exchanges that occur on or after that date. Further, investors may rely on the OID Regulations for debt instruments issued after December 21, 1992, and for sales or exchanges that occur after that date. The OID Regulations do not provide guidance under section 1272(a)(6) of the Code, which contains special original issue discount rules applicable to the Regular Certificates.

The OID Regulations provide that for purposes of measuring the accrual of original issue discount on a debt instrument, Holders may use an interest accrual period of any length as long as each distribution date falls on either the final day or the first day of an accrual period. Fannie Mae intends to report original issue discount based on accrual periods of one month, beginning on a payment date and ending on the day before a payment date.

Taxation of Beneficial Owners of Residual Certificates

Under the Regulations, the R Certificate 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 the 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 7.89% (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 the 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.

Appendix A

Trust SMBS

Fannie Mae Stripped Mortgage-Backed Security Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type (1)	Final Distribution Date	Principal Type (1)	Original Principal Balance of Class	Class % in the Trust	April 1994 Class Factor	Current Principal Balance in the Lower Tier REMIC	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average CAGE (in months)	Underlying Security Type	Related Classes or Components
000257-CL	1	February 1994	31364HG76	(2)	PO	February 2024	STP	\$3,750,000,000	5.6659104150%	0.992720720	\$210,925,000	7.4667%	355	5	MBS	A, B, C and D

Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type (1)	Final Distribution Date	Principal Type (1) (3)	Original Principal Balance of Class	Class % in the Trust	April 1994 Class Factor	Current Principal Balance in the Lower Tier REMIC	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average CAGE (in months)	Underlying Security Type	Related Classes or Components
1994-27	G	February 1994	31359GVA1	6.5%	FIX	February 2024	SUP/AD	\$29,140,000	97.4605367056%	0.999962720	\$28,398,941	7.1050%	356	4	MBS	F and S
1994-27	E	February 1994	31359GUV6	6.5	FIX	March 2023	SUP	24,935,000	83.7216735072	0.992875920	20,727,277	7.1050	356	4	MBS	CA1 and CB1
1994-34	H	March 1994	31359GZ82	6.0	FIX	September 2008	SUP	17,260,000	100	0.977869440	16,878,027	6.5895	177	3	MBS	CA2 and CB2
1994-56	O	March 1994	31359HDH4	6.5	FIX	April 2023	SUP	21,949,000	100	0.999973350	21,948,415	7.0810	357	3	MBS	F and S

- (1) See “Description of the Certificates—Class Definitions and Abbreviations” in the REMIC Prospectus.
- (2) This SMBS is a “principal only” SMBS and bears no interest.
- (3) The Underlying REMIC Certificates comprise Support Classes that receive principal payments on any Distribution Date only if scheduled payments have been made to specified PAC Classes issued by the Underlying REMIC Trusts. Information as to the Underlying REMIC Certificates may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the Underlying Prospectus which may be obtained from Fannie Mae as described herein.

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 SMBS Prospectus, the Mega Prospectus, the Underlying Prospectus Supplements, the MBS Prospectus 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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\$298,877,660

**Federal National
Mortgage Association**



**Guaranteed REMIC
Pass-Through Certificates**

Fannie Mae REMIC Trust 1994-69

PROSPECTUS SUPPLEMENT

Prudential Securities Incorporated

March 21, 1994